**PUBLIC VERSION**

**BEFORE THE**
**SURFACE TRANSPORTATION BOARD**

227920

TOTAL PETROCHEMICALS USA, INC.

Complainant,

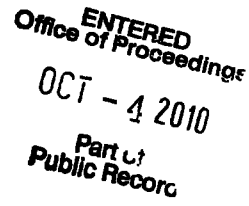
v.

CSX TRANSPORTATION, INC.

Defendant

**EXPEDITED HANDLING REQUESTED**

Docket No. NOR 42121


**MOTION FOR EXPEDITED DETERMINATION OF JURISDICTION OVER CHALLENGED RATES**

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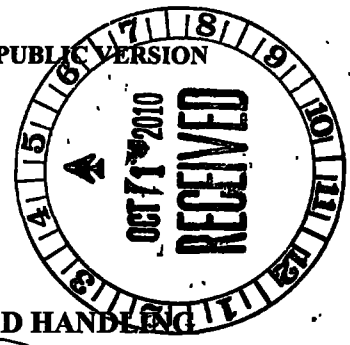
Dated: October 1, 2010

PUBLIC VERSION

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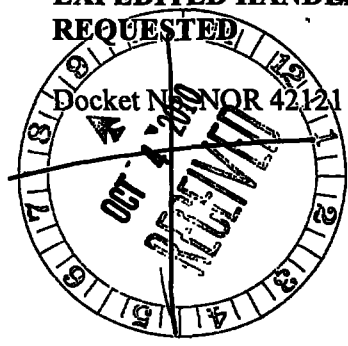


Docket No. NOR 42121

**MOTION FOR EXPEDITED DETERMINATION OF JURISDICTION OVER CHALLENGED RATES**

Pursuant to 49 C.F.R. § 1117.1 and other applicable law and authority, Defendant CSX Transportation, Inc. ("CSXT") respectfully submits this Motion for Expedited Determination of Jurisdiction Over Challenged Rates. As demonstrated by the enclosed proffer, compelling evidence demonstrates that CSXT's service in 97 of the 120 lanes that have been challenged in the First Amended Complaint filed by Complainant Total Petrochemicals USA, Inc. ("TPI") on July 26, 2010 is subject to effective competition from rail, truck, or rail-truck transportation alternatives, and therefore that these movements are not subject to the Board's rate reasonableness jurisdiction. Because the evidence that the Board does not have jurisdiction over these movements is so compelling – and because the preparation and consideration of Stand Alone Cost ("SAC") evidence in this proceeding is virtually certain to be more complex, burdensome, and costly to the parties than in any case yet litigated before the Board – CSXT respectfully submits that the Board should consider the parties' market dominance evidence and determine whether it has jurisdiction over the challenged rates before proceeding to require the parties to submit SAC evidence.

CSXT's transportation for nine of the 120 challenged movements is subject to direct intramodal competition from other rail carriers, and CSXT's transportation for 92 of the challenged movements is subject to effective intermodal competition from direct truck movements or from rail-truck transloading options. (Several issue movements are subject to more than one form of competition; thus a total of 97 movements are subject to at least one form of competition.) This competition is not merely hypothetical. TPI has shipped {{ }} truckloads of the Issue Commodities[1] to various customers by motor carriers in recent years. *See* Verified Statement of Gordon Heisler ("V.S. Heisler") at 9-10. Indeed, documents produced by TPI in discovery show that it has shipped the Issue Commodities via truck to {{ }} *Id.* at 11. Similarly, TPI's own records indicate that it commonly utilizes rail-truck transloading arrangements to ship the Issue Commodities – in fact, a significant proportion of the {{ }} truckloads of Issue Commodities shipped by TPI in the past 4 ½ years were transloaded to trucks from railcars. *See id.* at 10-11.

CSXT's Motion is supported by the Verified Statement of Mr. Gordon Heisler, a chemical industry logistics expert with more than 35 years experience, including chemicals and plastics distribution positions with Sunoco Inc. and FMC Industrial Chemicals. Mr. Heisler's analysis demonstrates that a number of the movements contained in TPI's Amended Complaint readily can be transported over alternative all-rail routings that directly compete with CSXT's rail service. *See* V.S. Heisler at 6-8. Moreover, because all of the commodities specified in TPI's Amended Complaint are well-suited for transloading from rail cars to bulk trucks, the

[1] The 120 rates challenged in TPI's Complaint apply to the transportation of five commodities: polypropylene, polyethylene, polystyrene, styrene, and aromatics. Collectively these commodities are referred to in this Motion as the "Issue Commodities."

alternatives described by Mr. Heisler – whether direct rail or rail-transload-truck – may be employed by TPI at delivered costs that in virtually all instances are closely bounded by the challenged CSXT rail rates (and in a number of instances, at costs lower than the challenged rates). In short, the evidence convincingly demonstrates that CSXT faces "effective competition from other rail carriers and modes of transportation for the transportation to which [the] rate[s] appl[y]" for all but a handful of the traffic lanes in the Amended Complaint. 49 U.S.C. § 10707(a).

The Board should consider the threshold jurisdictional issue of market dominance at this stage of the case for two reasons. First, CSXT does not possess market dominance in most, if not virtually all, of the challenged lanes. CSXT is not aware of any recent SAC case presenting such persuasive evidence that the railroad is not market dominant – including indisputable evidence that many of the challenged movements have available all-rail service from a competing rail carrier. The Board must determine if it has jurisdiction over the challenged rates before it proceeds to evaluate the merits of the challenge – if it lacks jurisdiction, the Board has no authority to consider a rate reasonableness challenge. Second, consideration of market dominance now could spare the parties and the Board significant amounts of unnecessary expense and wasted effort. The construction of a Stand Alone Railroad designed to operate in 21 states and to handle 120 separate issue movements would likely require one of the most complex SAC presentations the Board has ever seen.[2] No useful purpose would be served by forcing the parties and the Board to expend the very significant resources that

[2] The complexity of this case is illustrated both by the number and diversity of the challenged movements and by the scope of discovery in this case, which has already been far more voluminous and burdensome than in any case in which CSXT has been involved. TPI has posed over 700 separate discovery requests (including subparts) and CSXT is producing hundreds of gigabytes of data in response to those requests, including hundreds of millions of traffic and event records.

would be required to generate SAC evidence if, as the evidence demonstrates, the Board does not have jurisdiction to determine the reasonableness of the vast preponderance of those rates.

In light of the substantial likelihood that any SAC evidence submitted by the parties will be significantly altered in scope, if not rendered moot altogether, by a ruling that CSXT lacks market dominance over the transportation to which the challenged rates apply, CSXT believes that the most prudent and efficient course of action is for the Board to consider the parties' market dominance evidence – and determine whether the Board has jurisdiction – before the parties submit SAC evidence. CSXT respectfully suggests that the Board order TPI to submit any evidence that it claims demonstrates market dominance over the movements in question, and should the Board wish to schedule an oral argument on the issue of market dominance, to do so promptly thereafter. CSXT submits that under the current procedural schedule there is ample time for the Board to consider the parties' market dominance evidence before TPI's deadline to file opening SAC evidence on February 16, 2010. Alternatively, if the Board deemed it appropriate, it could hold the procedural schedule in abeyance pending its decision on market dominance.

Section I of this Motion discusses the legal standard for qualitative market dominance. That section also identifies some of the key factual differences between this case and prior SAC cases that contribute to TPI's inability to prove market dominance. Section II discusses the specific competitive rail, truck, and rail-truck alternatives available for transportation of the Issue Commodities over the challenged lanes. Section III responds to TPI's claimed factual support for its allegations of market dominance, which consists of little more than circular reasoning and generalized boilerplate that is thoroughly disproven by Mr. Heisler's analysis. Finally, Section IV addresses another significant jurisdictional flaw in TPI's Complaint

– the fact that it has not shipped any traffic over several of the lanes whose rates it seeks to challenge.

## I. THE BOARD DOES NOT HAVE JURISDICTION OVER RATES FOR MOVEMENTS FOR WHICH THERE ARE EFFECTIVE COMPETITIVE OPTIONS.

The Board only has jurisdiction to determine the reasonableness of a transportation rate if there is "an absence of effective competition from other rail carriers or modes of transportation for the transportation to which a rate applies." 49 U.S.C. § 10707(a).[3] Congress limited the Board's rate reasonableness authority to transportation for which there is an absence of effective competition because of an "overall congressional intent that 'competition be recognized as the best control on the ability of railroads to raise rates.'" *Potomac Elec. Power Co. v. Consolidated Rail Corp.*, 367 I.C.C. 532, 536 (1983) (quoting H. Rep. 96-1430, at 89 (1980)). Simply put, when there is more than one effective competitive option for transportation, Congress has determined that the market should determine the maximum reasonable level of rates for that transportation, not the Board.

The Board applies this statutory limitation on its jurisdiction by assessing "whether there are any feasible transportation alternatives that could be used for the issue traffic. The Board considers both intramodal competition (from other railroads) and intermodal competition (from other modes of transportation, such as trucks, transload arrangements, barges, or pipelines)." *E.I. du Pont de Nemours & Co. v. CSX Transportation, Inc.*, STB Docket No. 42099, at 2 (June 30, 2008). In many rate reasonableness cases – particularly those involving large shipments of coal from mines to utilities that have few feasible alternatives to receiving

[3] For purposes of this Motion, CSXT is not contending that the challenged rates generate revenue-to-variable cost ("R/VC") ratios below the 180% quantitative market dominance threshold specified by 49 U.S.C. § 10707(d)(1). CSXT reserves its rights to address any quantitative market dominance issues at a later date should it be necessary to do so.

coal by rail – qualitative market dominance is not seriously contested, because often complainants in such cases do not have competitive transportation alternatives.[4] The situation is quite different in this merchandise chemicals case, where the complainant is not even located on CSXT's rail system and ships a significant portion of its products via truck, rail-truck transload, and rail carriers other than CSXT.

The lack of market dominance in this case is in part a product of one major difference between this case and previous SAC cases. Nearly all of the issue movements do not originate on CSXT's rail system – rather they originate at TPI production facilities in Texas and Louisiana and are transported by western railroads to gateways like Chicago, Effingham, East St. Louis, Memphis, and New Orleans for interchange to CSXT. *See* TPI Amended Complaint Exhibit B (showing gateway origins for 115 challenged moves that originate on western railroads). Because the "origins" for nearly all of TPI's moves are at these major gateways (as opposed to, *e.g.*, a solely served mine or plant), other major railroads have the capacity to receive the issue shipments at those gateways and deliver them direct to the customer or to a rail-truck transloading facility near the destination. There is thus no question that TPI has access to logistically feasible transportation alternatives for the Issue Commodities.

The only remaining question is whether these transportation alternatives are economically viable. The analysis of CSXT expert Gordon Heisler demonstrates that they are. Mr. Heisler is a chemicals logistics expert who examined potential competitive alternatives and

[4] Even some coal rate cases present significant qualitative market dominance issues. As both CSXT and the Board are aware, in the recently settled case *Seminole Electric Cooperative, Inc. v. CSX Transportation, Inc.*, STB Docket No. 42110, there were serious issues raised regarding rail-water alternatives to CSXT's rail service that the Board explored in oral argument. By the time that the Board ordered that argument, however, the parties already had expended substantial resources to compile an extensive record on the stand-alone-cost issues. CSXT seeks to avoid that situation with this Motion.

determined costs for those alternatives based on TPI's actual contract rates for rail alternatives and recent rate quotes he obtained from trucking and transloading providers. *See* V.S. Heisler at 6-16 & Exs. 1, 3, & 5. A summary of Mr. Heisler's lane-by-lane analysis is detailed below in Section II. In each instance, Mr. Heisler shows that the costs of the alternative transportation route are comparable to CSXT's rail rate – and in many instances lower than CSXT's rate. It is a familiar fact well-known to the Board that railroad contract rates are lower than common carrier rates for the same or similar movements. Contract rates are the result of negotiations between a railroad and a shipper that typically involve a multiplicity of factors, including such items as volume commitments, term commitments, service guarantees or penalties, liquidated damages, and a host of other items. The fact that many of the competitive alternatives identified in the lanes analyzed by Mr. Heisler rely upon railroad contract rates (either alone or in conjunction with a transload/truck rate) clearly explains why the comparative price of the alternatives is frequently below, and sometimes well below, the challenged common carrier rate.

{{

}}

Indeed, the evidence of "feasible transportation alternatives" in this case is more compelling than in perhaps any case yet considered by the Board. This is not a case in which the railroad's market dominance is in question because of the potential to build access to another

[5] {{

}}

carrier's rail line or to construct dock facilities to receive commodities by water. *Cf. Seminole Electric Cooperative, Inc. v. CSX Transp., Inc.*, STB Docket No. 42110. Nor is it even a case where a complainant that is not currently moving a commodity via truck could conceivably do so. *See FMC Wyoming Corp. v. Union Pacific R.R. Co.*, 4 S.T.B. 699, 713 (2000) (holding that "potential for conversion to motor carriage is sufficient to discipline UP's rail rates"). Rather, it is a case where the complainant {{

}} When a shipper has effective competitive transportation options – as TPI plainly does here – the statute mandates that market competition – not regulatory intervention – determine the applicable transportation rate.

## II. EFFECTIVE COMPETITION EXISTS FOR 97 OF THE ISSUE MOVEMENTS.

CSXT chemicals logistics expert Gordon Heisler conducted a careful analysis of transportation alternatives for each of the movements whose rates TPI challenges in this case. Based on that analysis, Mr. Heisler has determined that there are effective competitive alternatives for at least 97 of the movements addressed by the Complaint. In each case, Mr. Heisler has identified the most competitive alternative based on his expertise in the chemicals industry, his research into applicable rates and potential routings, and his review of documents produced by TPI in discovery. The details of Mr. Heisler's analysis are set forth in his verified statement and in Exhibits 1, 3, and 5 of that statement, which respectively detail all-rail, all-truck, and rail-truck competitive alternatives for the Issue Movements. *See* V.S. Heisler at 6-16. In addition, Exhibits 2, 4, and 6 to Mr. Heisler's Verified Statement are maps of each of the transportation alternatives set forth in Exhibits 1, 3, and 5. For each movement, the maps in

Exhibits 2, 4, and 6 graphically depict the current CSXT route, the route for alternative transportation, and the costs of each alternative.

The competitive transportation alternatives identified by Mr. Heisler fall into four categories. First, a number of the movements are subject to direct rail competition from another rail carrier(s) that can provide service from origin to destination. Second, one movement that currently moves via CSXT rail to a transload facility for truck delivery to the ultimate customer is subject to competition from other rail carriers that could transport the shipment to another nearby transload facility. Third, CSXT's transportation for many of the issue movements faces effective competition from truck movements that could transport the Issue Commodities from gateway origin to destination. Fourth, CSXT's transportation for 78 of the issue movements is subject to effective competition from other rail carriers that can transport the issue commodity to a transloading facility for truck delivery to destination.

### A. Eight Movements Are Subject to Effective All-Rail Competition from Other Rail Carriers.

Perhaps the most obvious instances of effective competition for the movements challenged by TPI are those for which all-rail transportation is available from origin to destination by rail carriers other than CSXT. In many of these cases, effective intramodal competition exists because the TPI customer at the destination is served by a short line railroad that has connections with both CSXT and another railroad that can provide all-rail service from the origin. The eight issue movements subject to direct all-rail competition are detailed below.

- **Movement 18[6]: Chicago – Cincinnati.** Both the gateway origin at Chicago and the destination are served by NS. *See* V.S. Heisler at 6.

[6] The Issue Movements are referred to by the numbers TPI assigned them in Exhibit B to the Amended Complaint. The five local movements in Amended Complaint Exhibit A are referred to as 1L, 2L, 3L, 4L, and 5L.

- **Movement 40: New Orleans – River Terminal, NC.** The destination is served by the Aberdeen & Rockfish ("AR"), which interchanges with NS at Fayetteville, NC. NS can provide rail transportation from New Orleans to its interchange point with AR for final delivery to River Terminal. *See* V.S. Heisler at 6-7.

- **Movement 44: East St. Louis – Sidney, Ohio.** NS provides direct rail service from East St. Louis to Sidney. *See* V.S. Heisler at 7.

- **Movement 47: New Orleans – Panama City, FL.** The destination is served by the Bayline Railroad, which interchanges with NS at Dothan, AL. NS can provide rail transportation from New Orleans to its interchange point with Bayline for final delivery to Panama City. *See* V.S. Heisler at 7.

- **Movements 67 and 108[7]: Chicago – Akron.** The destination is served by the Akron Barberton Cluster Railway Company ("AB"), which serves as switch carrier for CSXT and which also interchanges with the Wheeling & Lake Erie Railroad Co. ("WE") at Barberton. As a result, alternative rail transportation for these movements is available via NS from Chicago to Bellevue, OH (where NS interchanges with WE), via WE from Bellevue to Barberton, and via AB from Barberton to Akron. NS also has an interchange with BNSF at East St. Louis.[8] {{

  }} *See* V.S. Heisler at 7.

- **Movements 109 & 110[9]: Chicago – Indianapolis.** The destination is served by the Indiana & Ohio Railway ("IORY"), which interchanges with NS. NS can provide rail service from Chicago to the interchange point with IORY. *See* V.S. Heisler at 7.

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[7] Movement 67 is polypropylene; movement 108 is polyethylene.

[8] The actual origins of the 115 joint line issue movements listed in Exhibit B to TPI's Amended Complaint are TPI's production facilities in Texas and Louisiana, which are not served by CSXT. Because the originating carriers for these issue movements – BNSF, UP, and CN – have multiple interchanges with both CSXT and NS, in some cases an effective competitive alternative to a CSXT joint move with a western carrier is an NS joint move with that same western carrier that interchanges at a different gateway point than the CSXT movement. Such a gateway shift is not geographic competition, because the issue movements are not "originating" at the gateways listed in TPI's complaint. They rather are originating at TPI production facilities, and a joint-line route from that production facility that is interchanged to NS at a gateway point different from that used by the CSXT movement specified in the Amended Complaint plainly constitutes effective real-world competition.

[9] Movement 109 is polyethylene; movement 110 is polypropylene.

In each case, the alternative rail transportation is economically competitive with CSXT's rail rates. Exhibit 1 to the Verified Statement of Mr. Heisler sets forth the cost of alternative rail transportation for these rail competitive lanes. {{

}}

Moreover, the distances of these alternative routings compare favorably to the CSXT rail miles for these movements. Table 1 below illustrates that five movements have alternate routings less than 50 miles longer than the CSXT route. While the alternative routings for the other movements are somewhat longer, the additional mileage {{

}}

**Table 1**
**Comparison of CSXT Rail Miles and Alternative Carrier Rail Miles for Rail Competitive Movements**

| Lane | CSXT Rail Miles | Alternative Rail Miles | Difference in Miles | Difference in Percentage |
|---|---|---|---|---|
| 18 | 319 | 379 | 60 | 19% |
| 40 | 881 | 1011 | 130 | 15% |
| 44 | 408 | 459 | 41 | 10% |
| 47 | 372 | 766 | 394 | 106% |
| 67 | 345 | 352 | 7 | 2% |
| 108 | 345 | 352 | 7 | 2% |
| 109 | 211 | 239 | 19 | 9% |
| 110 | 211 | 239 | 19 | 9% |

Simply put, there can be little question that CSXT lacks market dominance over these transportation lanes. Alternative rail transportation from origin to destination by other rail carriers unquestionably constitutes effective competition. While CSXT is unaware of any case in which a complainant has gone so far as to bring a rate reasonableness challenge to movements subject to existing intramodal competition, the Board has strongly implied that a complainant with access to rail service by more than one railroad cannot demonstrate market dominance. *See, e.g., Arizona Pub. Serv. Co. v. Atchison, Topeka & Santa Fe Ry. Co.*, 2 S.T.B. 367, 374 (1997) (holding that there was no effective intramodal competition because "it would not be feasible to construct connecting track" to another carrier). Here, where TPI does not need to build out access to another rail carrier and instead need only avail itself of existing competitive options, CSXT plainly does not possess market dominance.

**B. One Movement Is Already Being Transported to a Transload Facility.**

Closely related to the eight movements that face effective direct competition from other rail carriers is a challenged movement in which TPI has challenged CSXT's rate from a

gateway origin to a transloading facility. Movement 70 is a movement from New Orleans to a CSX TRANSFLO transloading facility in Chattanooga – the customer is ultimately served by truck. For this CSXT-to-transload-facility movement, effective competition exists from Norfolk Southern, which can transport the Issue Commodities from the same gateway origin to an NS transloading facility from which trucks can serve the customer. *See* V.S. Heisler at 8-9.

Mr. Heisler's Verified Statement shows that for Movement 70, NS could transport the issue commodity from New Orleans to a NS Thoroughbred Bulk Terminal in Chattanooga (the same city in which the TRANSFLO transloading facility at issue is located). {{

}} *See* V.S. Heisler at 9. NS rail transportation from New Orleans to this NS transload facility in Chattanooga is plainly a viable alternative to CSXT rail transportation to a CSXT transload facility in Chattanooga.

There is little question that the alternative transportation described above – which provides the same rail/truck service currently received by the customer for {{ }} cost – constitutes effective competition.

**C. Eighteen Movements Are Subject to Effective All-Truck Competition.**

Eighteen of the issue movements face effective competition from direct truck transportation. Each of the Issue Commodities is readily transportable by truck. *See, e.g.*, TPI Response to CSXT Requests for Admissions 9-13 (admitting that each issue commodity can be transported by truck). {{

}}.

**Table 2**
**TPI Truck Shipments of Issue Commodities**
**(Jan 2006 – June 2010)**[10]

| | |
|---|---|
| Aromatics | {{ }} |
| Polyethylene | {{ }} |
| Polypropylene | {{ }} |
| Polystyrene | {{ }} |
| Styrene | {{ }} |
| **Total** | {{ }} |

Indeed, {{

}} During CSXT's 2009 fiscal year (12/27/08—12/25/09), CSXT transported { } railcars of Issue Commodities for TPI over the challenged lanes. *See* Verified Statement of Richard Karn ("V.S. Karn") at 2. During the same year TPI shipped at least {{ }} trucks of Issue Commodities per year. *See* V.S. Heisler at 10. Using a conversion factor of four truckloads for the volume equivalent of a single railcar, in recent years TPI has shipped the equivalent of {{ }} railcars' volume of Issue Commodities by truck annually – {{

}}[11] *See id.* TPI's own actions therefore conclusively demonstrate that it considers trucks to be a viable option for transporting each of the Issue Commodities.

[10] Source: TPI production document "TPI.Interr.46.HC.xlsx." The file contained a number of anomalous records that may correspond to additional shipments. Because CSXT excluded these anomalous records from its analysis, the actual number of TPI truck shipments is likely higher than the numbers in Table 2. *See* V.S. Heisler at 9-10.

[11] {{ }} sharply distinguishes this case from *E.I. du Pont de Nemours & Co. v. CSX Transportation, Inc.*, STB Docket No. 42099 (Plastics) (June 30, 2008), in which the Board found that the rail carrier possessed market dominance in part because "Dupont has never shipped plasticizers by truck." *Id.* at 5.

{{

}}

Importantly, the majority of these truck shipments appear to involve rail-truck transloading: {{ }} of the truck shipments originate at a point other than at one of TPI's production facilities. *See* V.S. Heisler at 11. The fact that these truck shipments of TPI products are not originating at a TPI facility strongly indicates that {{

}} Moreover, a {{ }} number of truck shipments originate at the same rail-truck transload facilities Mr. Heisler has identified as being viable options. For example, {{ }} truck shipments originated at Doraville, Georgia, presumably at the NS Thoroughbred Bulk Terminal transload facility at that location. *See id.* {{ }} TPI truck shipments originated at Louisville, presumably at an NS transload facility at that location. *See id.* Similarly, TPI is already trucking {{ }} of other shipments of Issue Commodities from the gateway "origins" specified in the Amended Complaint. In recent years, for example, TPI has shipped at least {{ }} truckloads of Issue Commodities originating in Chicago, East St. Louis, Memphis, or New Orleans. *See id.*

TPI's {{ }} use of rail-truck transloading is not surprising, because the physical attributes of most of the Issue Commodities are particularly conducive to truck transportation and rail-truck transloading. *See* V.S. Heisler at 9, 13. Three of the Issue Commodities – polyethylene, polypropylene, and polystyrene – are nonhazardous materials that are typically transported as solid pellets. These three commodities move in 116 of the 120 lanes

(97 percent) identified in the Amended Complaint. The other two Issue Commodities – aromatics and styrene – are liquid hazardous materials (although not toxic-by-inhalation or poisonous-by-inhalation). While TPI has shipped {{ }} of trucks' worth of both aromatics and styrene, the transloading of these liquid hazardous materials is more challenging than transloading of plastic pellets. For this reason CSXT is focusing this motion on movements involving plastic pellets, for which transloading for rail-truck movements is plainly a viable option.[12]

Mr. Heisler's analysis identifies eighteen movements for which a direct truck movement from the gateway origin to destination is a viable competitive alternative to the CSXT rail rate. In Mr. Heisler's experience, trucks are typically more competitive for shorter movements than longer ones. Again, the best assessment of a reasonable range for a truck movement comes from TPI itself. {{

}} In an effort to be conservative, CSXT has considered truck

[12] As demonstrated above in Section II.A., the challenged styrene movement from New Orleans to Panama City is subject to direct rail competition from NS. CSXT does not concede that TPI can demonstrate market dominance for the remaining styrene lane and two aromatics lanes, and reserves its rights to present evidence of the effective transportation options for these lanes should it prove necessary.

transportation options within a range of 300 miles. *See* V.S. Heisler at 11-12. Most of the truck options identified in this Motion involve truck movements of less than a hundred miles.

For example, Lane 51 (Memphis, TN to Gallaway, TN) is a 31-mile move via CSXT rail service. The highway distance for a truck movement for that route is only 36 miles, and a recent rate quote from a motor carrier for that movement is {{

}} *See* V.S. Heisler at 12 & Ex. 3. Similarly, Lane 96 (Chicago to Francesville, IN) is a 98-rail-mile move via CSXT that could be supplanted by a 95-highway-mile movement via motor carrier Bulkmatic, which has quoted a rate {{ }} *See* V.S. Heisler at 12 & Ex. 3. And Movement 2L from Crawfordsville, IN to Atherton, IN is 69 rail miles on CSXT, but only 50 highway miles. *See* V.S. Heisler at 13 & Ex. 3.

Several of the movements for which Mr. Heisler has identified competitive all-truck options originate at Social Circle, GA. Social Circle is not the location of a TPI customer or of a receiver or producer of any of the Issue Commodities. Rather, it is a location on the Great Walton Railroad ("GWRR") that TPI uses as a temporary storage-in-transit site for deliveries en route to TPI customers. This means that the real-world transportation at issue here is not simply the segment from Social Circle to Athens, Covington, or Conyers, but rather the entire movement from gateway origin to the ultimate destination. In any event, even when only the Social Circle segment is considered, TPI has multiple competitive options for these movements. As Mr. Heisler details in his Verified Statement and Exhibit 3, TPI could transload products from railcars into trucks at Social Circle for delivery to customers. *See* V.S. Heisler at 12-13. Alternatively, it could transport railcars from Social Circle to NS's Doraville Thoroughbred Bulk

Terminal for transloading to trucks. *See id.* And of course TPI could also pursue similar storage arrangements with other transload facilities.[13]

Mr. Heisler's analysis identifies a total of eighteen movements that face viable and cost-effective competition from motor carriers from origin to destination. *See* V.S. Heisler at 12-13, Exs. 3 & 4. These feasible transportation alternatives constitute effective intramodal competition, and as a result the Board does not have jurisdiction over these Issue Movements. *See* 49 U.S.C. § 10707(a).

### D. Seventy-Eight Movements Are Subject to Effective Rail-Truck Competition.

Finally, CSXT has identified 78 movements that could be transported by rail carriers other than CSXT to rail-truck transloading facilities and delivered by truck to the final destination. As discussed above in Section II.C., {{

}} In Mr. Heisler's experience as a logistics expert, rail-truck transloading is a common and feasible option for plastic pellet products like polypropylene, polystyrene, and polyethylene, and constitutes a viable alternative to all-rail service. *See* V.S. Heisler at 9, 13.

For example, in Movement 7 TPI has challenged CSXT's rate for transportation from New Orleans to Conyers, GA. However, this transportation is subject to effective intermodal competition from NS, which can provide service between New Orleans and the NS

[13] TPI has also challenged movements from gateway origins to Social Circle. *See* Movements 1 & 28. As detailed in Exhibit 5 to Mr. Heisler's Verified Statement, these movements face competition from rail transportation to NS's Doraville transload facility for transloading into trucks. The most effective real-world competitive option for these movements may well be to truck them directly to their ultimate destinations rather than to Social Circle. The trucking quotes set forth in Exhibit 8 to Mr. Heisler's Verified Statement demonstrate that trucking from Doraville to Georgia locations can be done cost-effectively.

Thoroughbred Bulk Terminal at Doraville, GA, and from motor carriers, which can provide truck transportation from Doraville for the 29-mile trip to Conyers. *See* V.S. Heisler at 14. {{

}} Similarly, Movement 65 from New Orleans to La Grange, GA could be transported by NS from New Orleans to the Doraville Thoroughbred terminal and then moved via truck from Doraville to LaGrange. {{

}} *See* V.S. Heisler at 14-15.

## III. TPI'S ASSERTIONS OF MARKET DOMINANCE LACK MERIT.

As Complainant, TPI has the burden of proving the Board has jurisdiction over each of the challenged rates by demonstrating that CSXT has market dominance over each of the Issue Movements. To date, TPI has failed to produce evidence that satisfies its burden of proof on this threshold jurisdictional requirement. While CSXT has posed a number of discovery requests asking TPI to substantiate its claim that no effective competition exists for the movements at issue, TPI has not produced any evidence that supports its allegations of market dominance. In response to an Interrogatory posed on June 23, 2010 asking TPI to "identify all facts that support your allegation . . . that 'CSXT possesses market dominance' with respect to the Issue Movements," TPI provided five unsupported boilerplate assertions:

> (1) TPI would be using alternative transportation for the Issue Movements today if such alternative transportation provided effective competition;
>
> (2) CSXT is the sole carrier that serves the Issue Destination or is a necessary carrier to each Issue Movement, or both;

> (3) CSXT's ability to retain traffic despite extraordinary rate increases to R/VC ratios that are well in excess of 1.80 is evidence that market dominance exists;
>
> (4) increasing the number of transloads may raise contamination and product integrity considerations; and
>
> (5) alternative transportation does not provide effective competition due to a variety of reasons, depending on the Issue Movement, including but not limited to: distances are too long, volumes are too great, costs are too high, and customers will not accept transportation via other modes (due to factors such as volumes they receive, a lack of storage capacity, load/unload facilities, and intra-plant congestion).

TPI Response to CSXT Interrogatory No. 33 at 30. None of these claims is persuasive.

*First*, TPI's circular assertion that the fact that it does not presently use a transportation option means that the option does not constitute effective competition would all but eliminate the jurisdictional requirement of qualitative market dominance. If all a complainant had to do to prove qualitative market dominance was to choose to use the railroad's transportation over other transportation options, § 10707(a) would be meaningless. The statute does not permit a complainant with viable transportation options to choose to forgo those options in order to pursue a rate reasonableness case against a selected transportation provider.

*Second*, TPI's claim that CSXT is either "the sole carrier that serves the Issue Destination" or "a necessary carrier to any Issue Movement" is simply not correct, as amply demonstrated above. CSXT is not even the sole rail carrier that serves the Issue Destination for many of the movements discussed above and it is not a necessary carrier for the movements addressed in this Motion – all of which can move via alternative transportation.

*Third*, TPI effectively asserts that qualitative market dominance should be presumed if a movement generates an R/VC ratio above the statutory threshold for quantitative market dominance. But an R/VC ratio above the statutory threshold for quantitative market dominance is irrelevant to the separate question of whether TPI can prove qualitative market

dominance. Where a particular movement plainly could be transported via a feasible transportation alternative such as rail service on another railroad or rail-truck transloading, and for a delivered cost comparable to that of the challenged rate, there is effective competition. TPI's generalized – and unproven – assertions about R/VC ratios "well in excess" of the jurisdictional threshold and purportedly "extraordinary" rate increases are irrelevant to the qualitative market dominance inquiry. Because there are viable alternatives for the issue movements, under the Interstate Commerce Act the reasonableness of the challenged rates must be determined by the market competition between CSXT's rail service and those alternatives. *See* 49 U.S.C. § 10707(a).

*Fourth*, TPI's indefinite assertion that transloading "may" create problems with contamination and product integrity is disproved by TPI's own extensive use of rail-truck transloading for the Issue Commodities. Moreover, TPI's suggestion that "increasing the number of transloads" would be problematic is irrelevant, because each of the alternative transportation options proposed by Mr. Heisler includes no more than one transloading event.

*Finally*, TPI's sweeping, but unsupported, claim that "distances," "volumes," "storage capacity," "costs," and other factors make alternative transportation infeasible is debunked by the analysis presented by this Motion. The distances proposed by Mr. Heisler, which are graphically illustrated in the attached maps, are comparable to the distances of the all-CSXT route and in many cases are significantly shorter. And the volumes involved in this case are readily transportable by truck. This is not a coal SAC case involving millions of tons of traffic or even a case involving unit-train-sized movements to any particular destination. Instead, this is a SAC case built on over a hundred small movements, none of which involves a volume so large as to make all-rail transportation the only viable option. The highest-volume lane

addressed by this Motion – { } – accounted for only { } *See* V.S. Karn at 2. Most lanes accounted for far less traffic. { } *See id.* These { } volumes, and the { } number of trucks necessary to deliver to the vast majority of the challenged lanes, debunk TPI's vague claims that "lack of storage capacity" or potential congestion at customer sites requires rail delivery. As for costs, the analysis summarized above demonstrates that the identified alternatives constitute realistic constraints on CSXT, and in fact {{

}}

* * *

In short, there is substantial evidence that nearly all the lanes included in the Amended Complaint face effective competition from rail, truck, or rail-truck alternatives. In the interest of agency economy and conservation of the resources of the parties and the public, the Board should consider the parties' qualitative market dominance arguments now. Otherwise, the parties will devote substantial resources to developing – and the Board will devote substantial resources to considering – SAC evidence that will likely be irrelevant to the outcome of this case because of TPI's inability to prove that CSXT has market dominance over the transportation at issue.

## IV. TPI'S CHALLENGES TO PAPER RATES SHOULD BE DISMISSED.

Eight of the lanes addressed by this Motion should be dismissed for the additional reason that TPI is not moving traffic under the challenged rate (and indeed has moved no traffic over the challenged route since at least January 2009). Even if TPI could demonstrate that

CSXT was market dominant over these lanes, the Board would not have jurisdiction to consider challenges to the reasonableness of paper rates that have not been used to move traffic.

The Board's power to prescribe a maximum rate is limited to a "rate charged or collected by a rail carrier for transportation subject to the jurisdiction of the Board." 49 U.S.C. § 10704(a)(1). This statutory command accords with the ICC's longstanding recognition that it had no basis upon which to exercise jurisdiction over a "paper rate" that never moved traffic. *See West Texas Utils. Co. v. Burlington N. R.R. Co.*, I.C.C. Docket No. 41191, 1994 WL 559317, at *2 (Served Oct. 14, 1994) ("Congress of course recognized that shippers had no basis on which to challenge rates for service they had never used"). For this reason, the ICC regularly declined to order prospective rate relief when there were no shipments planned under the challenged rates. *E.g.*, *Fed. Chem. Co. v. Baltimore & Ohio R.R.*, 210 I.C.C. 577, 578 (1935) ("There is no evidence that there will be any future shipments over that route and, therefore, we will not prescribe a rate for the future over that route."); *Capitol City Monument Works v. Baltimore & Ohio R.R.*, 161 I.C.C. 13, 18 (1930); *S. Ga. Traffic Bureau v. Fla. E. Coast Ry.*, 153 I.C.C. 725, 726 (1929).

The "charged or collected" language of § 10704(a)(1) means that a shipper that has never shipped traffic under a rate has no basis to challenge the reasonableness of that rate, because such rate has not been "charged or collected." § 10704(a)(1). Here, TPI has <u>never</u> shipped under the challenged tariff rates for eight of the lanes in its Amended Complaint: Lanes 2L, 37, 69, 88, 89, 90, 91, and 99. *See* V.S. Karn at 2. Nor has it shipped Issue Commodities over those lanes at any time since January 1, 2009. Because none of these eight rates has been charged or collected, the Board does not have jurisdiction to prescribe a rate for these lanes and

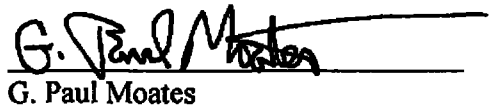
they should be dismissed from the Complaint for this additional reason.[14] *See* 49 U.S.C. § 10704(a)(1).

## V. CONCLUSION

For the reasons set forth above and in the accompanying verified statements and exhibits, CSXT respectfully requests that the Board: (1) order TPI to reply to this Motion and to submit any evidence that it contends demonstrates qualitative market dominance; (2) should the Board deem it advisable, hold an oral argument on qualitative market dominance; (3) consider and rule on this Motion and the parties' qualitative market dominance jurisdictional evidence before TPI's procedural deadline for opening SAC evidence (Feb. 16, 2011), or if necessary, hold the procedural schedule in abeyance until the Board issues its determination on qualitative market dominance; and (4) hold that there is effective competition for the movements addressed in this Motion and therefore that under 49 U.S.C. § 10707(a) the Board lacks jurisdiction to determine the reasonableness of the challenged rates for those movements.

[14] Because TPI has never used the challenged tariff rates for any of these lanes, this case is distinct from *Texas Municipal Power Agency v. Burlington Northern Santa Fe Ry Co.*, 7 S.T.B. 803 (2004) , where the single challenged tariff rate for PRB coal applied to multiple movements from geographically proximate mines, and thus where the tariff rate had been "charged or collected" by TMPA's use of the rate to ship from two of those mines. Here, TPI's use of CSXT's tariff rate for transportation from, *e.g.*, Chicago to Cumberland, MD, plainly does not mean that the entirely different rate from, *e.g.*, Crawfordsville, IN to Atherton, IN, has been "charged or collected."

Respectfully submitted,



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Dated: October 1, 2010

## CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of October, 2010, I caused a copy of the foregoing Motion for Expedited Determination of Jurisdiction Over Challenged Rates to be served on the following parties by first class mail, postage prepaid or more expeditious method of delivery:

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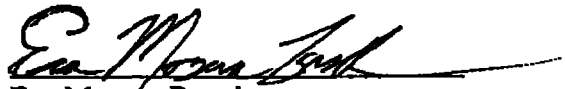


Eva Mozena Brandon

**PUBLIC VERSION**

**BEFORE THE**
**SURFACE TRANSPORTATION BOARD**

| | | |
|---|---|---|
| TOTAL PETROCHEMICALS USA, INC. | ) | |
| Complainant, | ) | |
| v. | ) | Docket No. NOR 42121 |
| CSX TRANSPORTATION, INC. | ) | |
| Defendant | ) | |

**VERIFIED STATEMENT OF GORDON R. HEISLER**

My name is Gordon R. Heisler, and I submit this Verified Statement in support of Defendant CSXT's Motion for Expedited Determination of Jurisdiction Over Challenged Rates. Specifically, this Verified Statement details my analysis of transportation alternatives to the CSXT rail movements whose rates are challenged by Complainant TOTAL Petrochemicals, USA ("TPI") in this proceeding. My analysis demonstrates that effective market competition exists for at least ninety-seven of the transportation lanes in the Amended Complaint. Nine of these Issue Movements could be transported by rail from origin to destination on rail carriers other than CSXT; eighteen could be cost-effectively transported from the CSXT origin to destination by truck; and seventy-eight could be transported via a rail carrier other than CSXT to a rail-truck transloading facility for ultimate delivery to the customer.[1] These options are feasible and cost-competitive with CSXT rail service. Indeed, {{

}}

[1] Eight movements are subject to more than one of these competitive options, making a total of 97 movements that have at least one competitive option.

I am a Principal of my own consulting firm, Heislog LLC, 98 McConkey Drive, Washington Crossing, PA 18977, which I founded in 2005. I have 38 years of experience in surface transportation and logistics, a large portion of which related to chemicals and plastics distribution for Sunoco, Inc. ("Sunoco") and for FMC Industrial Chemicals. I directed Sunoco's transportation group for approximately 13 years before retiring from that company in 2005. During my Sunoco tenure, I was responsible for the operational management and economics of all deliveries including rail and bulk trucking movements of Sunoco Polymers. This entailed over 3,000 plastics hopper cars delivering over 12,000 rail shipments of polymer products annually, as well as establishment and operation of 18 plastics intermodal transload facilities. Sunoco held contracts with seven Class I rail carriers and with 12 bulk motor carriers of plastics to accomplish this transportation. I have made presentations regarding logistics business issues to this Board, to members of the Senate and House of Representatives, and before a number of industry groups, including the National Industrial Transportation League, the Council of Logistics Management, and the American Coalition for Ethanol. I am also a former Director of the American Plastics Council-Transportation and Logistics Committee.

## I. Overview of Methodology

TPI has challenged the reasonableness of CSXT's rates for transporting several types of chemicals – primarily polypropylene (STCC 2821139), but also polystyrene (STCC 2821140), polyethylene (STCC 2821142) and a few movements of aromatics (STCC 2911315) and aromatics (styrene) (STCC 2818342) – between 103 unique origin-destination pairs.[2] Working with CSXT personnel in the railroad's Chemicals Group, I examined the transportation and logistics characteristics of each of the Issue Movements and reviewed viable and

[2] While there are 120 lanes listed in TPI's Amended Complaint, seventeen of those lanes duplicate the origin-destination of other lanes and only differ at the seven-digit STCC level.

economically realistic competitive alternatives to CSXT's all-rail service for a large majority of them. Specifically, eight of the lanes have alternative rail routings available that TPI could use. One lane is subject to direct competition from another railroad because it originates at a dual-served gateway (New Orleans), is transloaded to truck from a CSXT-served transload facility, and the other railroad serves another nearby transload facility. Eighteen lanes are subject to competition from motor carriers that could provide truck transportation service for the entire route of the movement, and the traffic in another seventy-eight can be transported by rail carriers other than CSXT to transload facilities from which the ultimate destination could be served by truck. All the options I have identified are both feasible and cost-effective. {{

}}

I identified the all-rail transportation alternatives described in this Verified Statement by considering potential rail routings on other rail carriers with access to the CSXT origin and destination. For trucking transportation alternatives, I identified transloading facilities located at the gateway origin or accessible by a railroad other than CSXT and confirmed that those transloading facilities have the capacity and capability to handle rail-truck transloading of the issue traffic. A list of the transloading facilities that I have identified for potential use in TPI routings is attached as Exhibit 7.

For each of the competitive alternatives, I determined costs for any rail portion of the alternative based on {{

}} For any truck portion and any transloading charges, I used current quotes I obtained from trucking and transloading providers. Those quotes are provided in Exhibit 8. The motor carrier rate quotes all include vacuum pneumatic loading and unloading and any applicable fuel surcharge. I also accounted for any facility charges for the proposed transload facilities. In particular, I used NS Bulk Distribution Tariff 9328-H to determine applicable charges for use of NS Thoroughbred Bulk Transfer facilities. Transload facilities operated by motor carriers such as Bulkmatic or Plastic Express typically do not have a separate facility charge for rail shipments transloaded into trucks operated by that motor carrier.

In order to enable an apples-to-apples comparison between costs for rail transportation and truck transportation, I used a commonly accepted conversion ratio of four trucks to transport the contents of each railcar. The costs of alternate transportation set forth in Exhibits 3-6 are on a per-railcar basis using a 4:1 truck-to-railcar ratio. {{

}} For each of the lanes discussed below, the cost

of the alternative transportation route is comparable to CSXT's rail rate – sometimes somewhat higher but in my judgment still effective in constraining CSXT's rates, and in many instances lower than CSXT's rate.

The vast majority of lanes challenged by TPI – fully 115 of the 120 Issue Movements – are joint line movements that do not originate on CSXT's lines but instead originate at TPI's production facilities in Texas and Louisiana. Because the originating carriers for these issue movements – BNSF, UP, and CN – have multiple interchanges with both CSXT and NS, in some cases an effective competitive alternative to a CSXT joint move with a western carrier is an NS or CP joint move with that same western carrier that interchanges at a different gateway point than the CSXT movement. In my analysis I have identified instances in which such a gateway shift might create a more efficient transportation alternative. To be clear, in every case where I have proposed a gateway shift, alternative service would also be possible from the gateway named in the complaint, {{

}}

## II. Competitive Alternatives to CSXT Rail Service

I identified four potential competitive alternatives to CSXT's rail service: (1) all-rail transportation on rail carriers other than CSXT; (2) for issue movements that currently travel to a rail-truck transload facility, all-rail transportation to another transload facility on rail carriers other than CSXT; (3) all-truck transportation from the CSXT origin to destination; and (4) rail transportation on another rail carrier from the CSXT origin to a rail-truck transload facility and truck transportation to destination. Several of the Issue Movements are subject to competition from more than one of these options. The exhibits to this Verified Statement contain detailed descriptions of each competitive option. Exhibits 1, 3, and 5 are tables that show the key

characteristics and costs of the alternative all-rail, all-truck, and rail-truck competitive options I have identified. Exhibits 2, 4, and 6 are maps of each competitive option detailed in Exhibits 1, 3, and 5. Below I discuss in more detail each of these alternatives and the Issue Movements that are subject to competition from that alternative.

### A. Effective Competition from Other Rail Carriers

For eight of the challenged lanes, all-rail transportation can be provided from origin to destination by rail carriers other than CSXT. For six of these lanes, the TPI customer at the destination of the challenged routing is ultimately served by a short line railroad that connects to CSXT. Because these short lines also have interchanges with railroads other than CSXT (most notably NS), alternative rail service is available from origin to destination for each of these movements. For the remaining lanes, both the origins and destinations are served by both CSXT and NS.

The eight issue movements subject to direct all-rail competition are set forth in Exhibits 1 and 2 and are also described below:

- **Movement 18[3]: Chicago – Cincinnati.** NS can receive the issue traffic from BNSF at Chicago and transport it to the destination at Cincinnati.
- **Movement 40: New Orleans – River Terminal, NC.** River Terminal is not served by CSXT, but rather by the Aberdeen & Rockfish ("AR"). AR also interchanges with NS at Fayetteville. As a result, NS could provide rail transportation from New Orleans to its interchange point with AR for final delivery to River Terminal.
- **Movement 44: East St. Louis – Sidney, Ohio.** NS can receive this traffic from BNSF at East St. Louis and provide direct rail service from East St. Louis to Sidney.
- **Movement 47: New Orleans – Panama City, FL.** CSXT does not directly serve the customer at Panama City; rather it interchanges traffic to the Bayline

[3] The Issue Movements are referred to by the numbers TPI assigned them in Exhibit B to the Amended Complaint. The five local movements in Exhibit A are referred to as 1L, 2L, 3L, 4L, and 5L.

Railroad for delivery to the ultimate destination. The Bayline also interchanges with NS at Dothan. NS can provide rail transportation from New Orleans to its interchange point with Bayline for final delivery to Panama City.

- **Movements 67 and 108[4]: Chicago – Akron.** The destination is served by the Akron Barberton Cluster Railway Company ("AB"), which serves as switch carrier for CSXT and which also interchanges with the Wheeling & Lake Erie Railroad Co. ("WE") at Barberton. As a result, alternative rail transportation for these movements is available via NS from Chicago to Bellevue (where NS interchanges with WE), via WE from Bellevue to Barberton, and via AB from Barberton to Akron. NS also has an interchange with BNSF at East St. Louis. {{

  }}

- **Movement 109 and 110[5]: Chicago – Lima, OH.** The destination is served by the Indiana & Ohio Railway ("IORY"), which interchanges with NS. NS can provide rail service from Chicago to the interchange point with IORY.

Moreover, each of these alternative rail transportation options is economically competitive with CSXT's rail rates. Exhibit 1 sets forth the cost of alternative rail transportation for these rail competitive lanes. {{

}}

The distances of these alternative routings compare favorably to the CSXT rail miles for these movements. Table 1 below illustrates that five movements have alternate routings less than 50 miles longer than the CSXT route. While the alternative routings for the other movements are somewhat longer, the additional mileage {{

}}

[4] Movement 67 is for polypropylene; movement 108 is for polyethylene.
[5] Movement 109 is for polyethylene; movement 110 is for polypropylene.

**Table 1**
**Comparison of CSXT Rail Miles and Alternative Carrier Rail Miles for Rail Competitive Movements**

| Lane | CSXT Rail Miles | Alternative Rail Miles | Difference in Miles | Difference in Percentage |
|---|---|---|---|---|
| 18 | 319 | 379 | 60 | 19% |
| 40 | 881 | 1011 | 130 | 15% |
| 44 | 408 | 459 | 41 | 10% |
| 47 | 372 | 766 | 394 | 106% |
| 67 | 345 | 352 | 7 | 2% |
| 108 | 345 | 352 | 7 | 2% |
| 109 | 211 | 239 | 19 | 9% |
| 110 | 211 | 239 | 19 | 9% |

In my opinion, there can be little question that CSXT's rail service for these lanes is subject to effective competition from alternative rail transportation by other rail carriers.

**B. Effective Competition from Other Rail Carriers For Issue Movement Already Being Transported to a Transload Facility**

Movement 70 (New Orleans – Chattanooga) is a movement for which TPI has challenged CSXT's rate from a gateway origin to a transloading facility. While there is not direct rail competition to the particular transloading facility TPI is using today, there is alternative rail transportation to a nearby transload facility. Since the customer is ultimately served by truck, rail transportation to a nearby transloading facility constitutes effective intramodal completion.

Specifically, the destination for Movement 70 is a CSX TRANSFLO bulk transloading facility in Chattanooga, from which the ultimate customer is served via truck. This movement faces effective rail competition from NS, which can provide rail service from New Orleans to a NS Thoroughbred Bulk Terminal in Chattanooga, from which the customer can

receive the same truck-from-transload service it receives today. Exhibit 1 shows that this alternative transportation option is cost-effective. {{

}}

**C. Effective Competition from Motor Carriers**

In my experience, truck transportation is a very viable option for distribution of plastics. While trucks can be used to transport a variety of commodities, truck transportation is particularly feasible for polypropylene, polyethylene, and polystyrene in plastic pellet form. Rail-truck transloading of these commodities is a common industry practice, and in my experience – which includes the establishment and maintenance of eighteen plastics transloading facilities during my years at Sunoco – transloading of polypropylene, polyethylene, and polystyrene does not create undue risk of contamination or of changing the primary characteristics of these products.

My experience that these plastic pellet shipments are amenable to truck movements and rail-truck transloading is confirmed by {{

}}.

Each one of the five issue commodities has been shipped in {{ }} of truckloads, as demonstrated by Table 2.

**Table 2**
**TPI Truck Shipments of Issue Commodities**
**(Jan 2006 – June 2010)**[6]

| | |
|---|---|
| Aromatics | {{ }} |
| Polyethylene | {{ }} |
| Polypropylene | {{ }} |
| Polystyrene | {{ }} |
| Styrene | {{ }} |
| **Total** | {{ }} |

{{

}}

{{

[6] Source: "TPI.Interr.46.HC.xlsx."

}}

{{

}}

My analysis identifies eighteen movements for which a direct truck movement from the gateway origin to destination is a viable competitive alternative to the CSXT rail rate. In my experience, trucks are typically more competitive with rail for shorter movements than longer ones. For that reason, I have limited my analysis to truck options with a range of 300 miles, and indeed most of the truck options I identified contemplate truck movements of less than a hundred miles{{

}}

The viable all-truck competitive options are summarized in Exhibits 3 and 4 and are described below.

- <u>Memphis Origins</u>: **Movements 2 & 19 (Memphis – Evansville, IN); 6 (Memphis – Bowling Green, KY); 25 (Memphis – Clarksville, TN); 51, 69 & 100 (Memphis – Gallaway, TN); 57 (Memphis – Hopkinsville, KY); 63 (Memphis – Madisonville, KY); and 75 (Memphis – Jackson, TN).** These movements can be delivered by BNSF to the West Memphis, Arkansas rail-truck transloading facility operated by MidSouth Bulk Services, Inc. and transloaded to trucks for delivery to destination by Quality Distribution, a motor carrier that serves the MidSouth facility The $266 switching cost for delivery to the MidSouth transload facility has been added to the trucking and loading charges quoted by Quality Distribution to develop the total cost per railcar set forth in Exhibit 3. These costs compare favorably with CSXT's tariff rates.

- <u>Chicago Origins</u>: **Movements 17 (Chicago – Anderson, IL); 56 (Chicago – Terre Haute, IN); 96 (Chicago – Francesville, IN); and 5L (Chicago – Evansville IN).** Except for 5L, each of these movements originate on the BNSF. They can be switched at Chicago to the UP for delivery to the Bulkmatic transloading facility at Chicago Heights in Illinois and transloaded to trucks for delivery by Bulkmatic. The $426 switching cost for delivery to the Chicago Heights transload facility has been added to the trucking and loading charges quoted by Bulkmatic to develop the total cost per railcar set forth in Exhibit 3. These costs are competitive with CSXT's tariff rates.

- **Local Movements from Social Circle.** TPI has also challenged CSXT's rates for several short-haul local movements. 1L, 3L, and 4L are all movements from Social Circle, Georgia to nearby locations in Georgia. These short-haul movements – 12, 34, and 22 miles, respectively – are an ideal length for truck competition. Social Circle is located on the Great Walton Railroad ("GWRR")), and it appears that TPI uses Social Circle as a storage track for railcars. TPI could transload products from railcars into trucks at Social Circle and deliver them to customers, for the cost shown in Exhibit 3. Indeed, TPI could pursue similar storage arrangements at other transload facilities, such as the NS Doraville transloading facility, or on other Georgia shortlines. TPI also could transport rail cars from Social Circle to Doraville on NS (which interchanges with GWRR) for transloading to trucks.

- **Local Movement from Crawfordsville.** Movement 2L from Crawfordsville, IN to Atherton, IN is 69 rail miles on CSXT, but only 50 highway miles. Cost-competitive truck transportation can be provided by Bulkmatic.

**D. Effective Rail-Truck Competition**

Finally, 78 movements could be transported by rail carriers other than CSXT to rail-truck transloading facilities to final delivery to customers. As discussed above, TPI has made extensive use of rail-truck transload facilities and has shipped thousands of truckloads of Issue Commodities from some of the same transload facilities that I have identified as feasible options for the Issue Movements. In my experience as a logistics expert, rail-truck transloading is common and feasible for plastic pellet products like polypropylene, polystyrene, and polyethylene, and constitutes a viable alternative to all-rail service.

The rail-truck transload options are detailed in Exhibits 5 and 6. For each Issue Movement in Exhibits 5 and 6, I identified a route on rail carriers other than CSXT from an interchange point with the originating carrier (either BNSF or CN) to an existing rail-truck transloading facility with the capacity to accommodate shipments of the Issue Commodity. Where possible, I used a TPI contract with another rail carrier to derive a cost for the rail portion. Where a contract rate was not available, I used a surrogate rate (calculated as described above). In some instances where TPI had a contract rate to the transload facility from another interchange point with the originating carrier, I calculated both the contract-based rail cost from that gateway and a surrogate rate from the gateway identified in the Amended Complaint. (In these cases, both costs are included on Exhibits 5 and 6.) I next calculated truck and transloading costs from recent quotes from trucking companies.

All the rail-truck transportation options identified in Exhibits 5 and 6 are both feasible and cost-effective. As discussed above, {{

}} Moreover, the rail-truck movements described in Exhibits 5 and 6 all contemplate

relatively short truck hauls – none posits a truck haul of more than 200 miles and the majority are less than 100 miles. In my experience this is well within the range of a reasonable truck haul for plastics shipments. Finally, the rail-truck options listed in Exhibits 5 and 6 are {{

}}

Below I discuss a few examples of competitive rail-truck movements.

- **Movement 7: New Orleans – Conyers, GA.** An alternative to CSXT rail service is NS rail service from New Orleans to the NS Thoroughbred Bulk Terminal at Doraville, GA and truck transportation from Doraville for the 29 miles to Conyers. {{

}}

- **Movement 65: New Orleans – LaGrange, GA.** As with Movement 7, this movement could be transported by NS from New Orleans to its Doraville terminal and then moved via truck from Doraville for the 80 miles to LaGrange. {{

}}

- **Movement 68: East St. Louis – Hatfield, PA.** I have identified two potential rail-truck transload options for this movement. From East St. Louis, NS could receive traffic from the originating carrier (CN) and provide transportation to the Savage Services bulk terminal in Philadelphia. From there Bulkmatic could provide truck service over the 33-

mile route to Hatfield. {{

}} Alternatively, NS could receive cars from CN at New Orleans and transport them to Bethlehem for interchange with the Philadelphia Bethlehem & New England for delivery to the Bulkmatic Transport transload facility at Bethlehem. Bulkmatic can provide truck service from its transload facility to Hatfield. {{

}}

- **Movement 111: Chicago – Pittsfield, MA.** Canadian Pacific ("CP") could participate in a rail-truck alternative for this movement. CP can transport traffic from Chicago to Guilderland Center, NY, where it could be transloaded by Plastic Express into trucks for delivery to Pittsfield. Transloading and the 52-mile truck movement would cost $2,737 per railcar, {{

}}

As Exhibits 5 and 6 demonstrate, these movements are only a small selection of the many movements challenged by TPI that have competitive rail-truck options. Each of these rail-truck alternatives is competitive with CSXT tariff rates. In short, there is substantial evidence that nearly all the lanes included in the Amended Complaint face effective competition from rail, truck, or rail-truck alternatives.

## COMPETITIVE ALTERNATIVES TO ISSUE MOVEMENTS: COMPETITION FROM ALTERNATE RAIL CARRIERS

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q10 CSXT Rate incl. FSC | Originating Carrier | CSXT Rule 11 JCT | RR1 (CSXT Route) | RR2 JCT (CSXT Route) | RR2 (CSXT Route) | CSXT Rail Miles | ALT Rail Route | ALT Rail Rule 11 JCT | ALT Rail Miles | ALT Rail Cost† | ALT Rail Cost Source |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 18* | CHICAGO | IL | CINCINNATI | OH | Polyethylene | $4,564 | BNSF | CHGO | CSXT | | | 319 | NS | CHGO | 379 | {{ }} | {{ }} |
| 40 | NEW ORLEANS | LA | RIVER TERMINAL | NC | Polypropylene | $7,444 | BNSF | NEWOR | CSXT | FAYVL | AR | 881 | NS-FAYVL-AR | NEWOR | 1,011 | {{ }} | {{ }} |
| 44 | EAST ST | IL | SIDNEY | OH | Polypropylene | $5,109 | BNSF | ESTL | CSXT | | | 408 | NS | ESTL | 459 | {{ }} | {{ }} |
| 47 | NEW ORLEANS | LA | PANAMA CITY | FL | Aromatics (Styrene) | $5,048 | CN | NEWOR | CSXT | COTDL | BAYL | 372 | NS-DOTHAN-BAYL | NEWOR | 766 | {{ }} | {{ }} |
| 67* | CHICAGO | IL | AKRON | OH | Polypropylene | $4,912 | BNSF | CHGO | CSXT | BARB | AB | 345 | NS-BELLV-WE-BARB-AB | ESTL | 571 | {{ }} | {{ }} |
| 70* | NEW ORLEANS | LA | CHATTANOOGA | TN | Polypropylene | $5,807 | BNSF | NEWOR | CSXT | | | 631 | NS | NEWOR | 497 | {{ }} | {{ }} |
| 108* | CHICAGO | IL | AKRON | OH | Polyethylene | $4,912 | BNSF | CHGO | CSXT | BARB | AB | 345 | NS-BELLV-WE-BARB-AB | ESTL | 571 | {{ }} | {{ }} |
| 109 | CHICAGO | IL | LIMA | OH | Polyethylene | $4,018 | BNSF | CHGO | CSXT | | | 211 | NS-LIMA-IORY | CHGO | 239 | {{ }} | {{ }} |
| 110 | CHICAGO | IL | LIMA | OH | Polypropylene | $4,018 | BNSF | CHGO | CSXT | | | 211 | NS-LIMA-IORY | CHGO | 239 | {{ }} | {{ }} |

*Movement has at least one competitive alternative

†Includes 1Q10 fuel surcharge, if applicable

# Exhibit 2:
# Maps of Rail Competitive Alternatives to Issue Movements

**PUBLIC VERSION**

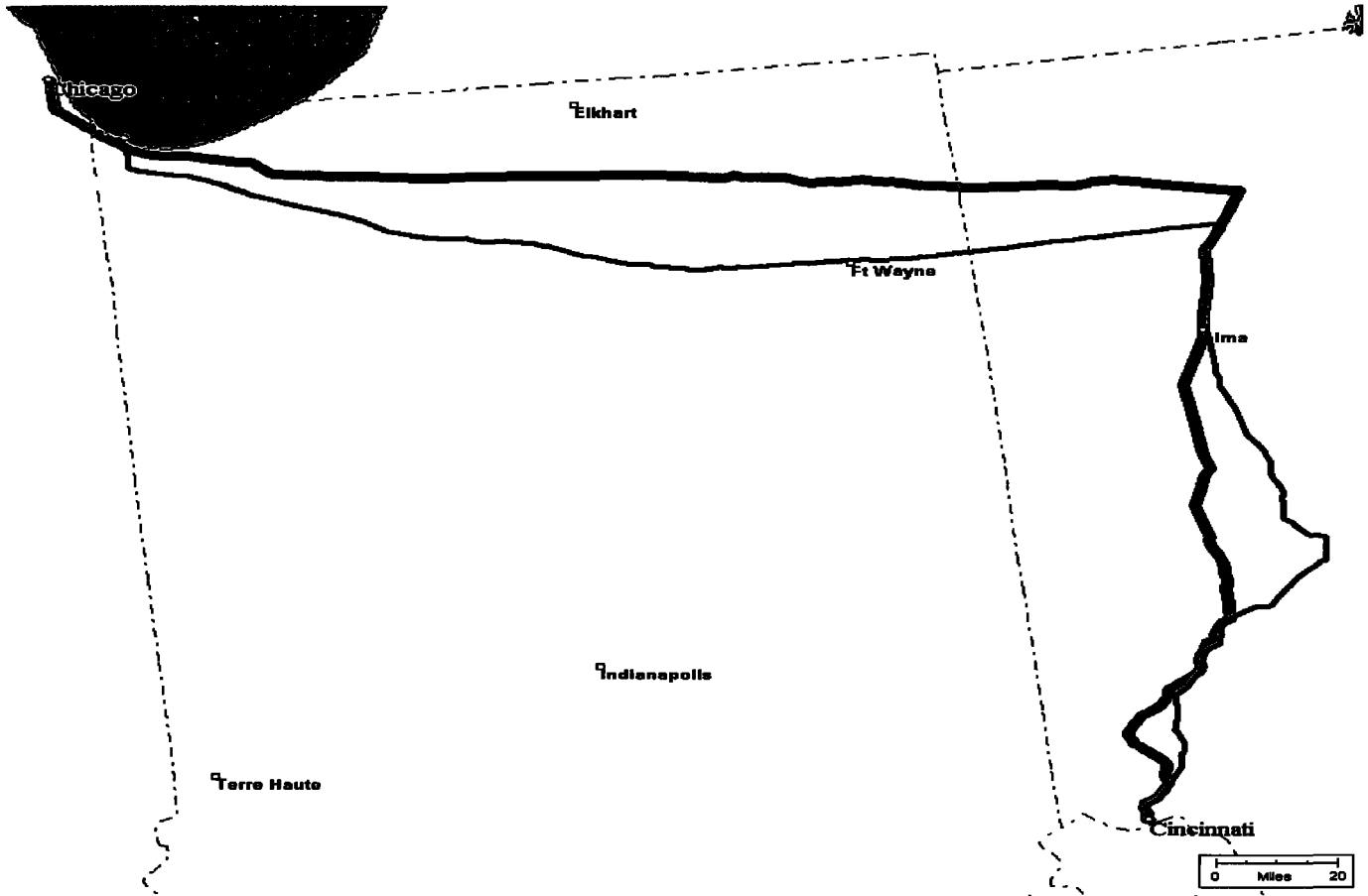
# TPI Movement Number 18*: Chicago, IL – Cincinnati, OH

CSXT Direct: 319 Mi

**Alternative:** 379 Mi

NS Rail: Chicago, IL – Cincinnati, OH

**Green=CSXT Route**
**Blue=NS Route**




*Movement also has an Rail-Truck Competitive Option

PUBLIC VERSION

**CSXT Tariff Rate**: $4,564

**Cost of Rail Alternative**: {{ }}

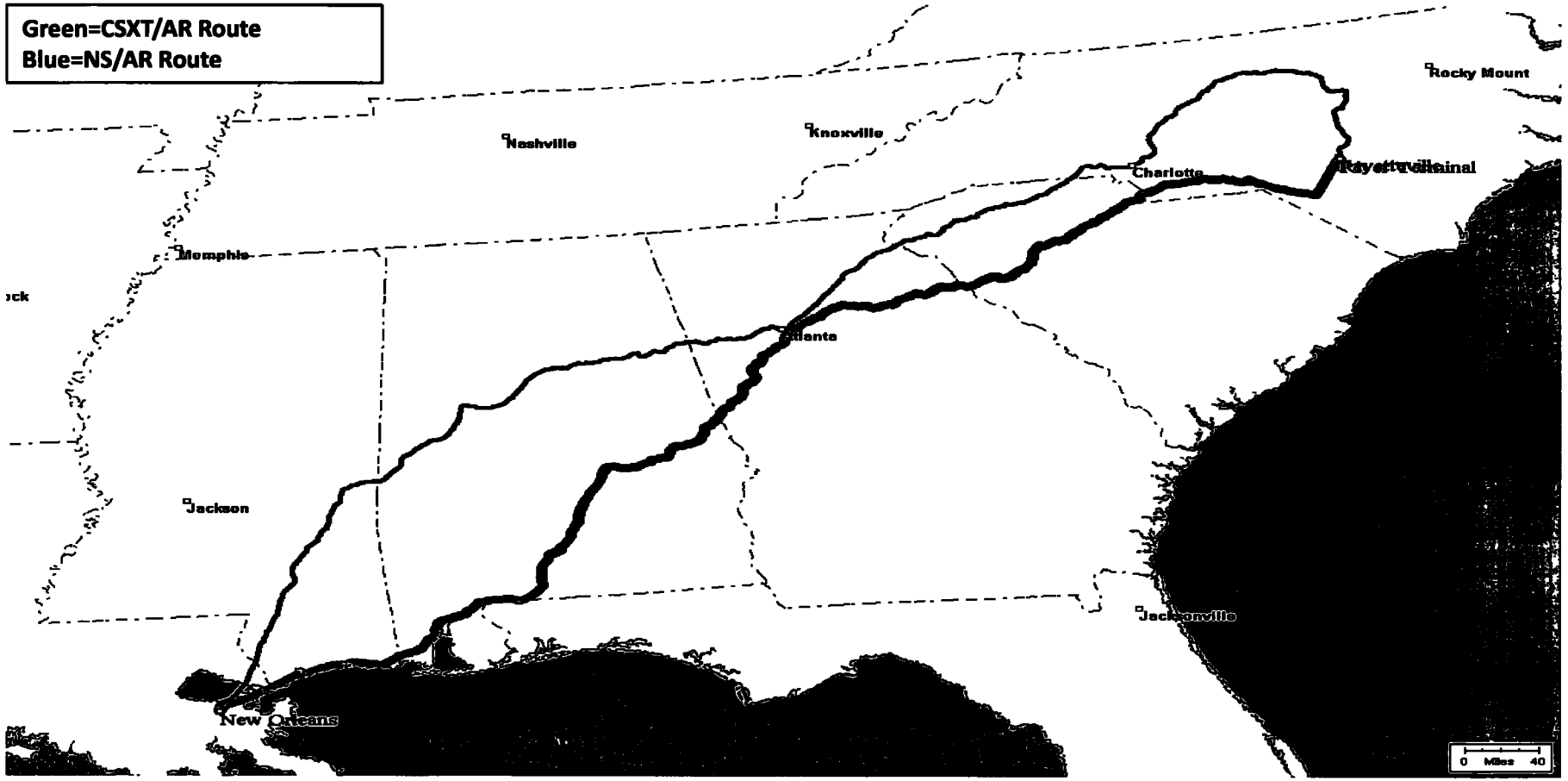
**TPI Movement Number 40: New Orleans, LA – River Terminal, NC**

New Orleans–Fayetteville, NC–AR–River Terminal: 881 Mi

**Alternative:** 1,011 Mi

NS Rail: New Orleans, LA – Fayetteville, NC

AR Rail: Fayetteville, NC – River Terminal, NC




**PUBLIC VERSION**

**CSXT Tariff Rate:** $7,444

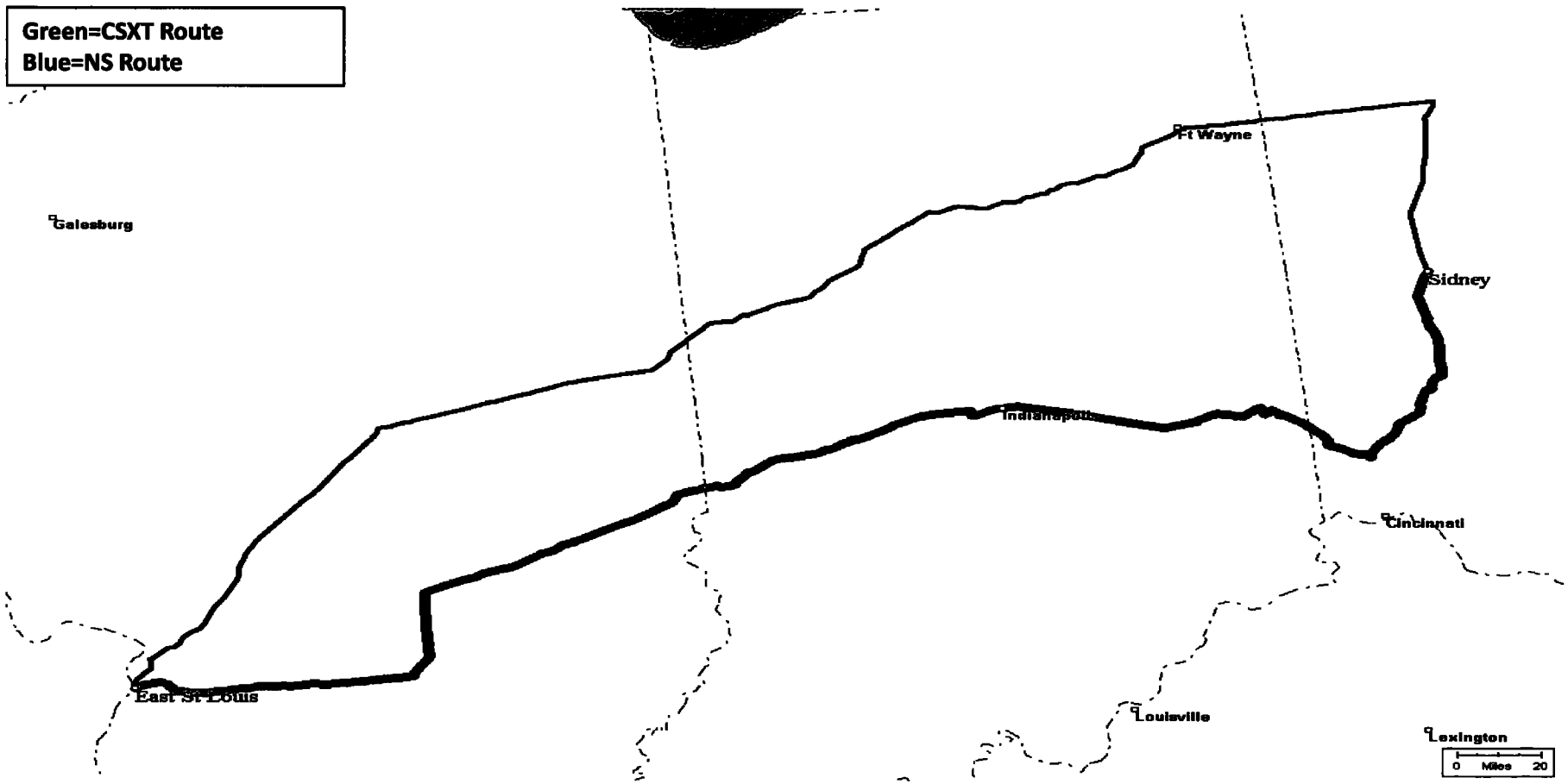
**Cost of Rail Alternative:** {{ }}

**TPI Movement Number 44: East St. Louis, IL – Sidney, OH**

CSXT Direct: 408 Mi

**Alternative:** 459 Mi

NS Rail: East St. Louis, IL – Sidney, OH




**PUBLIC VERSION**

**CSXT Tariff Rate:** $5,109

**Cost of Rail Alternative:** {{ }}

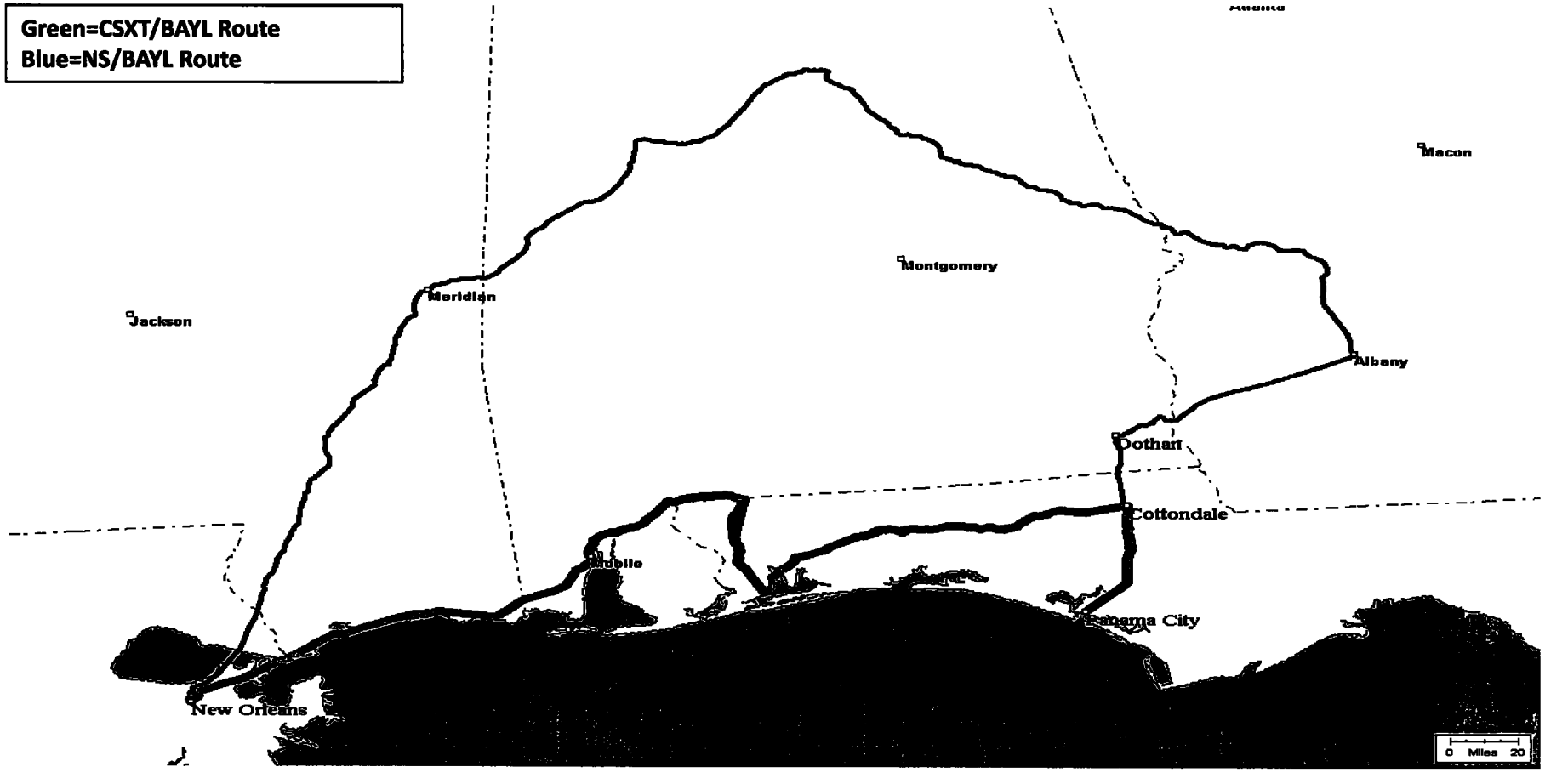
**TPI Movement Number 47: New Orleans, LA – Panama City, FL**

New Orleans-CSXT-Cottondale, FL-BAYL-Panama City: 372 Mi

**Alternative:** 766 Mi

NS Rail: New Orleans, LA – Dothan, AL

BAYL Rail: Dothan, AL – Panama City, FL




**PUBLIC VERSION**

**CSXT Tariff Rate:** $5,048

**Cost of Rail Alternative:** {{ }}

**TPI Movement Number 67*: Chicago, IL – Akron, OH**

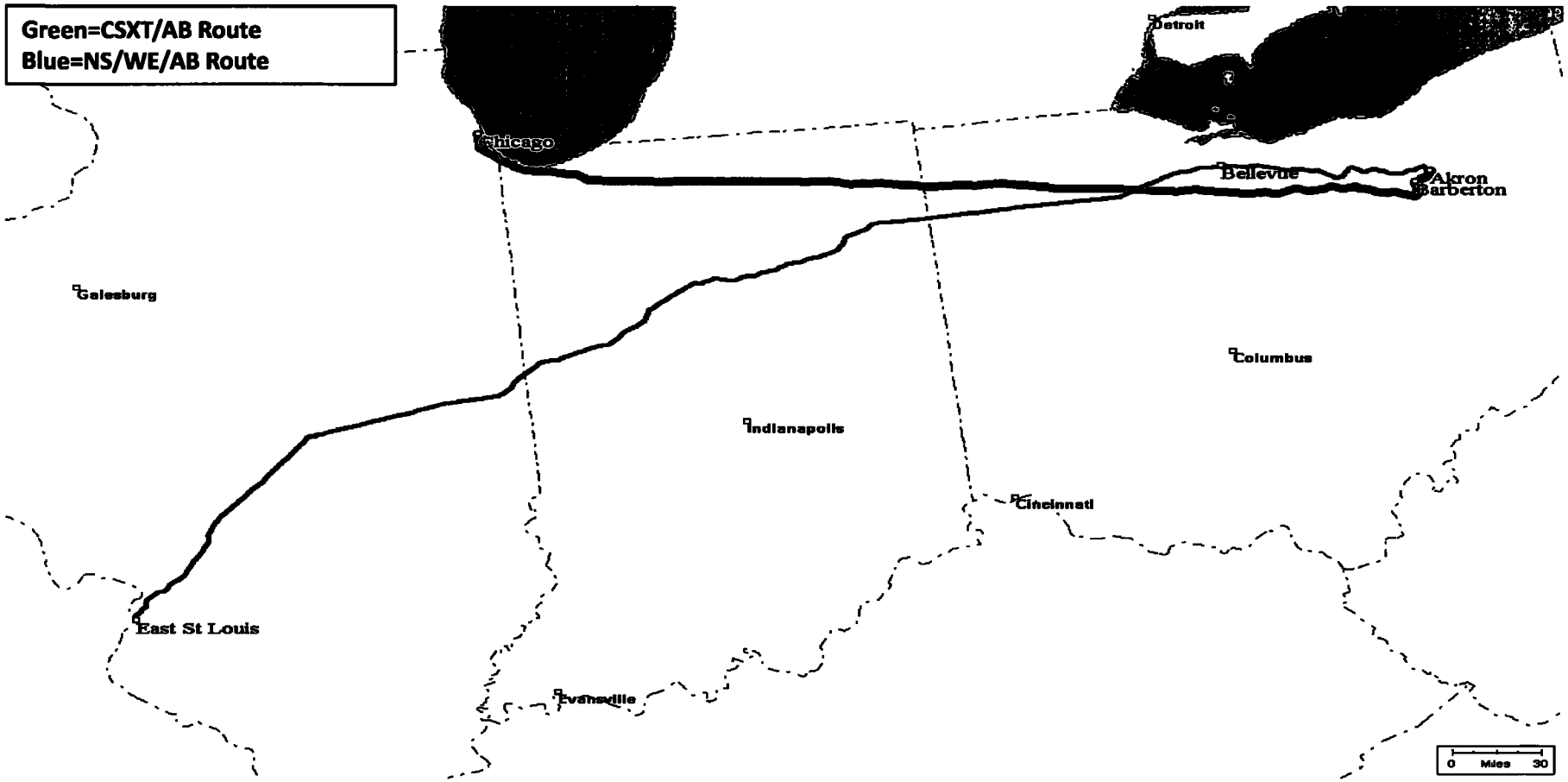
Chicago-CSXT-Barb-AB-Akron: 345 Mi

**Alternative:** 571 Mi

NS Rail: East St. Louis, IL – Bellevue, OH

WE Rail: Bellevue, OH – Barberton, OH

AB Rail: Barberton, OH – Akron, OH




*Movement also has an Rail-Truck Competitive Option

**PUBLIC VERSION**

**CSXT Tariff Rate:** $4,912

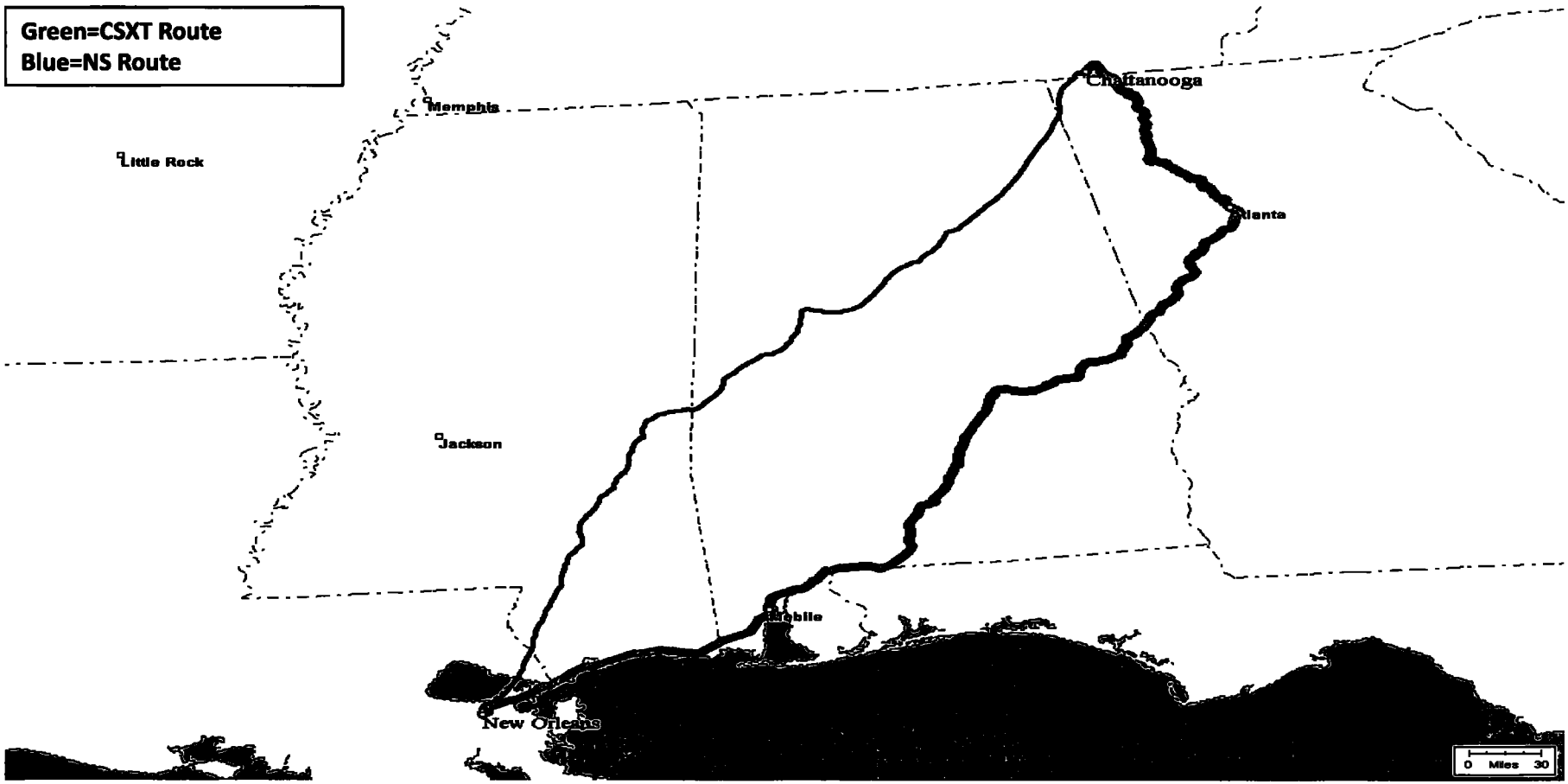
**Cost of Rail Alternative:** {{ }}

# TPI Movement Number 70*: New Orleans, LA – Chattanooga, TN

CSXT Direct: 631 Mi

**Alternative:** 497 Mi

NS Rail: New Orleans, LA – Chattanooga, TN




PUBLIC VERSION

**CSXT Tariff Rate:** $5,807

**Cost of Rail Alternative:** {{ }}

*Movement also has an Rail-Truck Competitive Option

**TPI Movement Number 108*: Chicago, IL – Akron, OH**

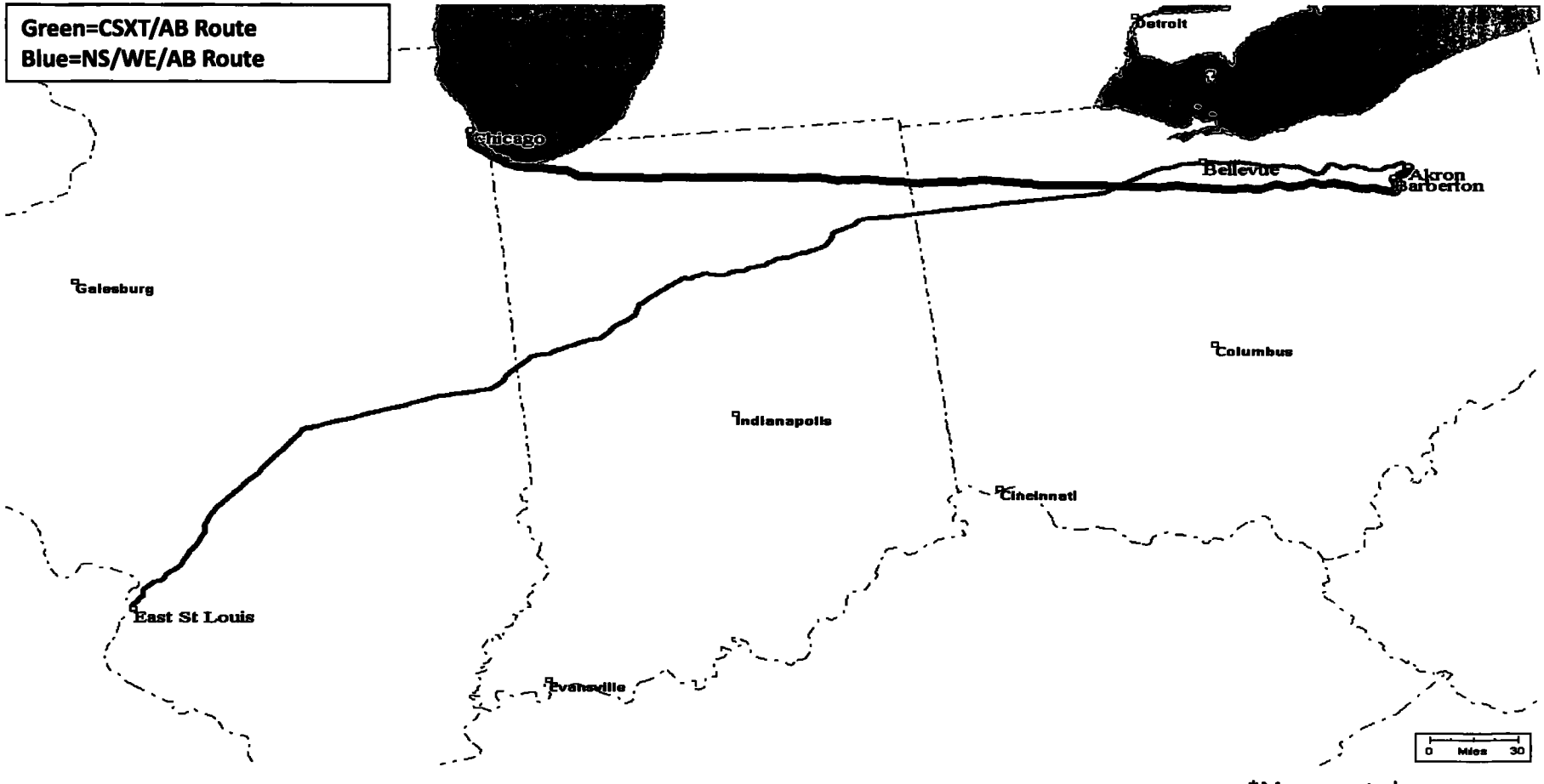
Chicago-CSXT-Barb-AB-Akron: 345 Mi

**Alternative:** 571 Mi

NS Rail: East St. Louis, IL – Bellevue, OH

WE Rail: Bellevue, OH – Barberton, OH

AB Rail: Barberton, OH – Akron, OH




*Movement also has an Rail-Truck Competitive Option

**PUBLIC VERSION**

**CSXT Tariff Rate:** $4,912

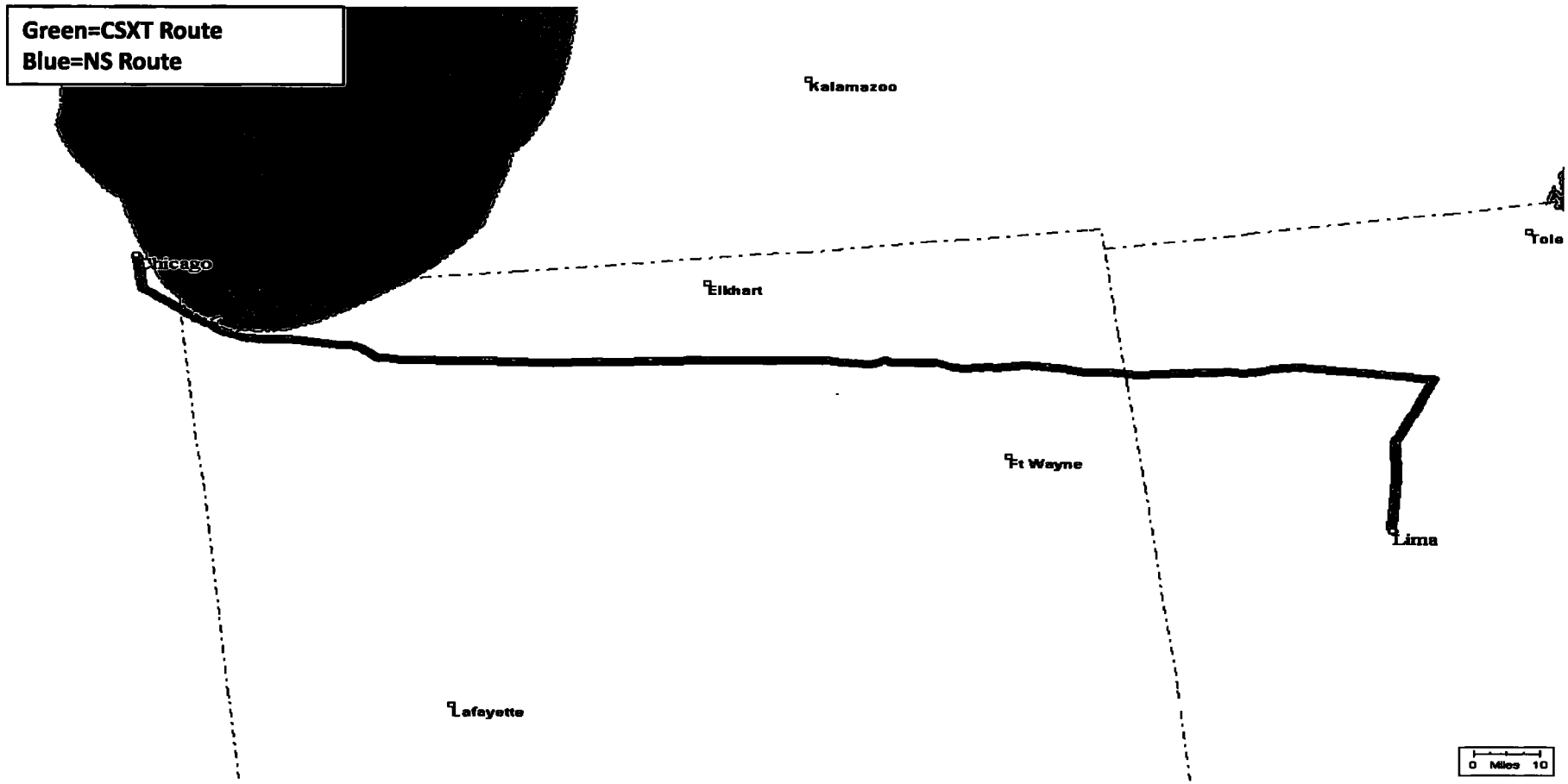
**Cost of Rail Alternative:** {{ }}

**TPI Movement Number 109: Chicago, IL – Lima, OH**

CSXT Direct: 211 Mi

**Alternative:** 239 Mi

NS Rail: Chicago, IL – Lima, OH (IORY)




**PUBLIC VERSION**

**CSXT Tariff Rate:** $4,018

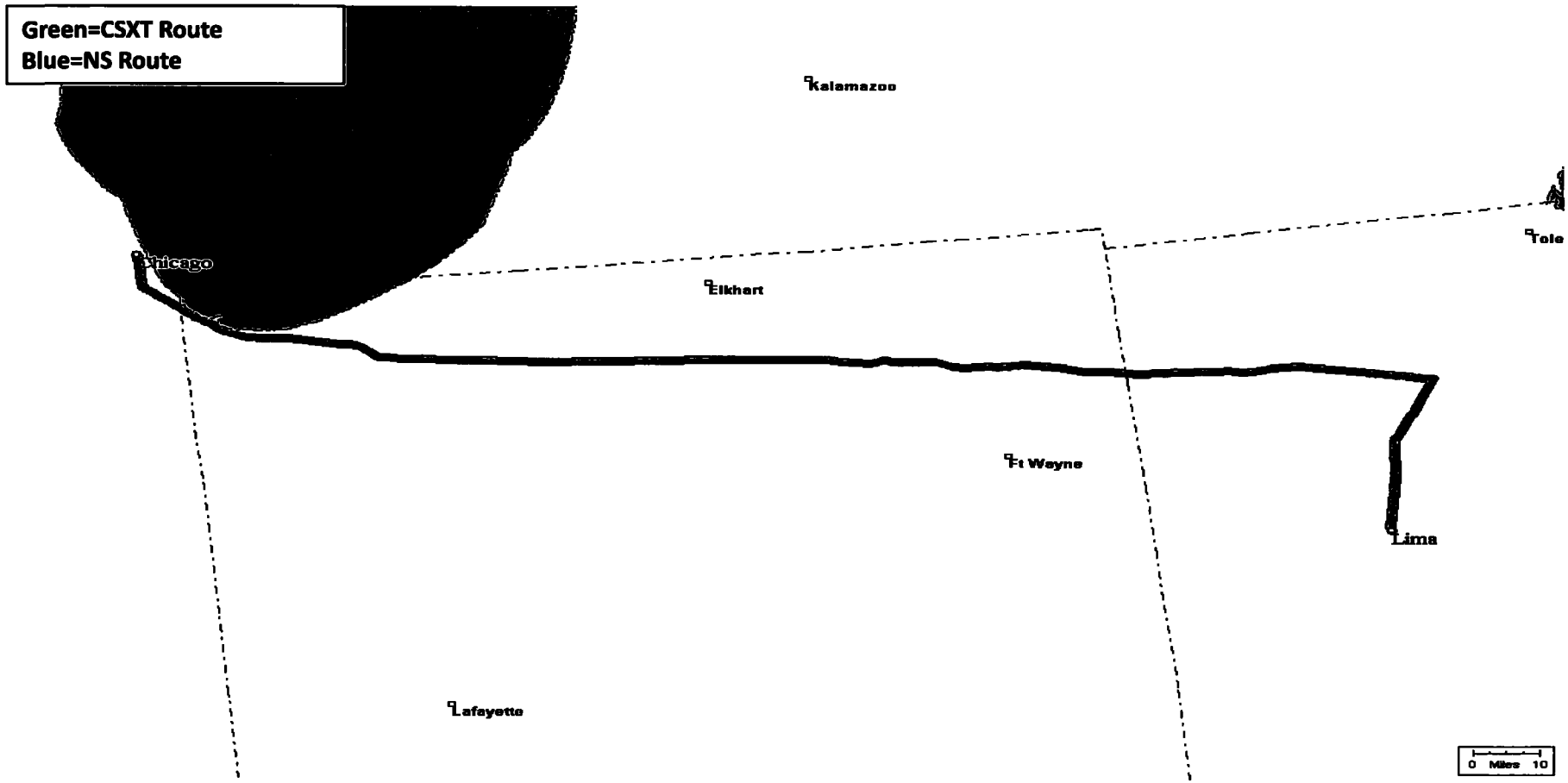
**Cost of Rail Alternative:** {{ }}

**TPI Movement Number 110: Chicago, IL – Lima, OH**

CSXT Direct: 211 Mi

**Alternative:** 239 Mi

NS Rail: Chicago, IL – Lima, OH (IORY)




**PUBLIC VERSION**

**CSXT Tariff Rate:** $4,018

**Cost of Rail Alternative:** {{ }}

## COMPETITIVE ALTERNATIVES TO ISSUE MOVEMENTS: DIRECT TRUCK SHIPMENTS

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q10 CSXT Rate Incl. FSC | Originating Carrier | CSXT Rule 11 JCT | CSXT Rail Miles | Highway miles | Trucking Provider | Trucking Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2 | MEMPHIS | TN | EVANSVILLE | IN | Polypropylene | $4,865 | CN | MEMPH | 388 | 292 | Quality Distribution | $4,921 |
| 6* | MEMPHIS | TN | BOWLING GREEN | KY | Polypropylene | $5,021 | BNSF | MEMPH | 304 | 277 | Quality Distribution | $4,683 |
| 17 | CHICAGO | IL | ANDERSON | IN | Polypropylene | $3,884 | BNSF | CHGO | 232 | 203 | Bulkmatic | $2,846 |
| 19 | MEMPHIS | TN | EVANSVILLE | IN | Polystyrene | $4,865 | CN | MEMPH | 388 | 292 | Quality Distribution | $4,921 |
| 25* | MEMPHIS | TN | CLARKSVILLE | TN | Polystyrene | $6,119 | CN | MEMPH | 280 | 207 | Quality Distribution | $3,398 |
| 51 | MEMPHIS | TN | GALLAWAY | TN | Polystyrene | $4,346 | CN | MEMPH | 31 | 36 | Quality Distribution | $2,849 |
| 56* | CHICAGO | IL | TERRE HAUTE | IN | Polypropylene | $3,716 | BNSF | CIIGO | 181 | 168 | Bulkmatic | $2,834 |
| 57 | MEMPHIS | TN | HOPKINSVILLE | KY | Polyethylene | $5,021 | BNSF | MEMPH | 303 | 214 | Quality Distribution | $3,785 |
| 63 | MEMPHIS | TN | MADISONVILLE | KY | Polypropylene | $4,855 | BNSF | MEMPH | 339 | 234 | Quality Distribution | $3,998 |
| 69 | MEMPHIS | TN | GALLAWAY | TN | Polypropylene | $4,346 | BNSF | MEMPH | 31 | 36 | Quality Distribution | $2,849 |
| 75 | MEMPHIS | TN | JACKSON | TN | Polypropylene | $4,364 | BNSF | MEMPH | 119 | 90 | Quality Distribution | $2,849 |
| 96 | CHICAGO | IL | FRANCESVILLE | IN | Polyethylene | $4,143 | BNSF | CHGO | 98 | 95 | Bulkmatic | $2,846 |
| 100 | MEMPHIS | TN | GALLAWAY | TN | Polyethylene | $4,346 | BNSF | MEMPH | 31 | 36 | Quality Distribution | $2,849 |
| 1L | SOCIAL CIRCLE | GA | COVINGTON | GA | Polypropylene | $3,302 | CSXT | | 11 | 12 | Bulkmatic | $1,599 |
| 2L | CRAWFORDSVILLE | IN | ATHERTON | IN | Polypropylene | $2,728 | CSXT | | 69 | 50 | Bulkmatic | $1,828 |
| 3L | SOCIAL CIRCLE | GA | ATHENS | GA | Polypropylene | $3,322 | CSXT | | 108 | 34 | Bulkmatic | $1,714 |
| 4L | SOCIAL CIRCLE | GA | CONYERS | GA | Polypropylene | $3,304 | CSXT | | 21 | 22 | Bulkmatic | $1,599 |
| 5L* | CHICAGO | IL | EVANSVILLE | IN | Polypropylene | $4,921 | CSXT | | 290 | 292 | Bulkmatic | $4,809 |

* Movement has at least one other competitive alternative

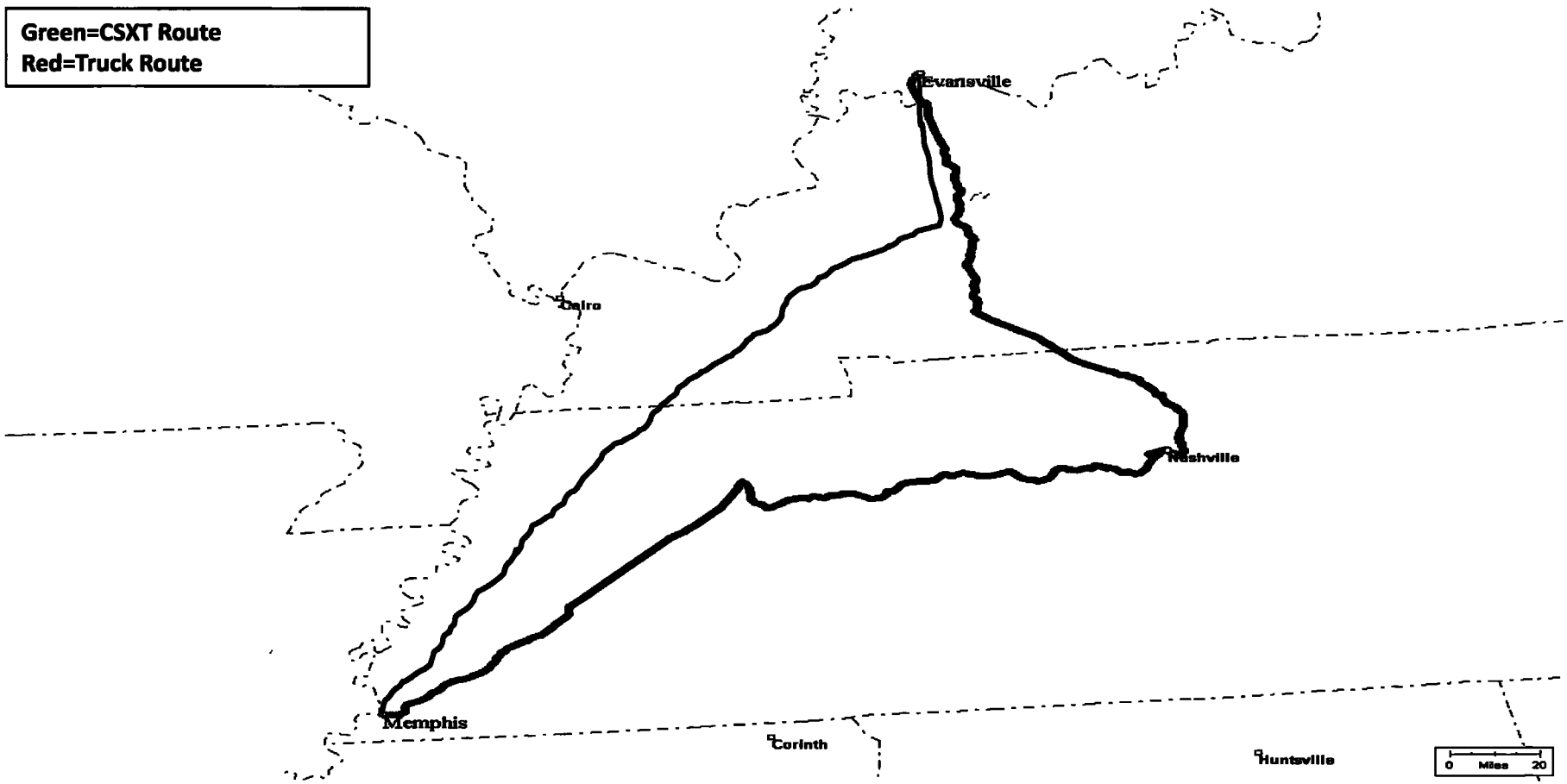
# Exhibit 4:
# Maps of Truck Competitive Alternatives to Issue Movements

**TPI Movement Number 2: Memphis, TN – Evansville, IN**

CSXT Direct: 388 Mi

**Truck Alternative:**

Quality Distribution: 292 Mi




**CSXT Tariff Rate**: $4,865

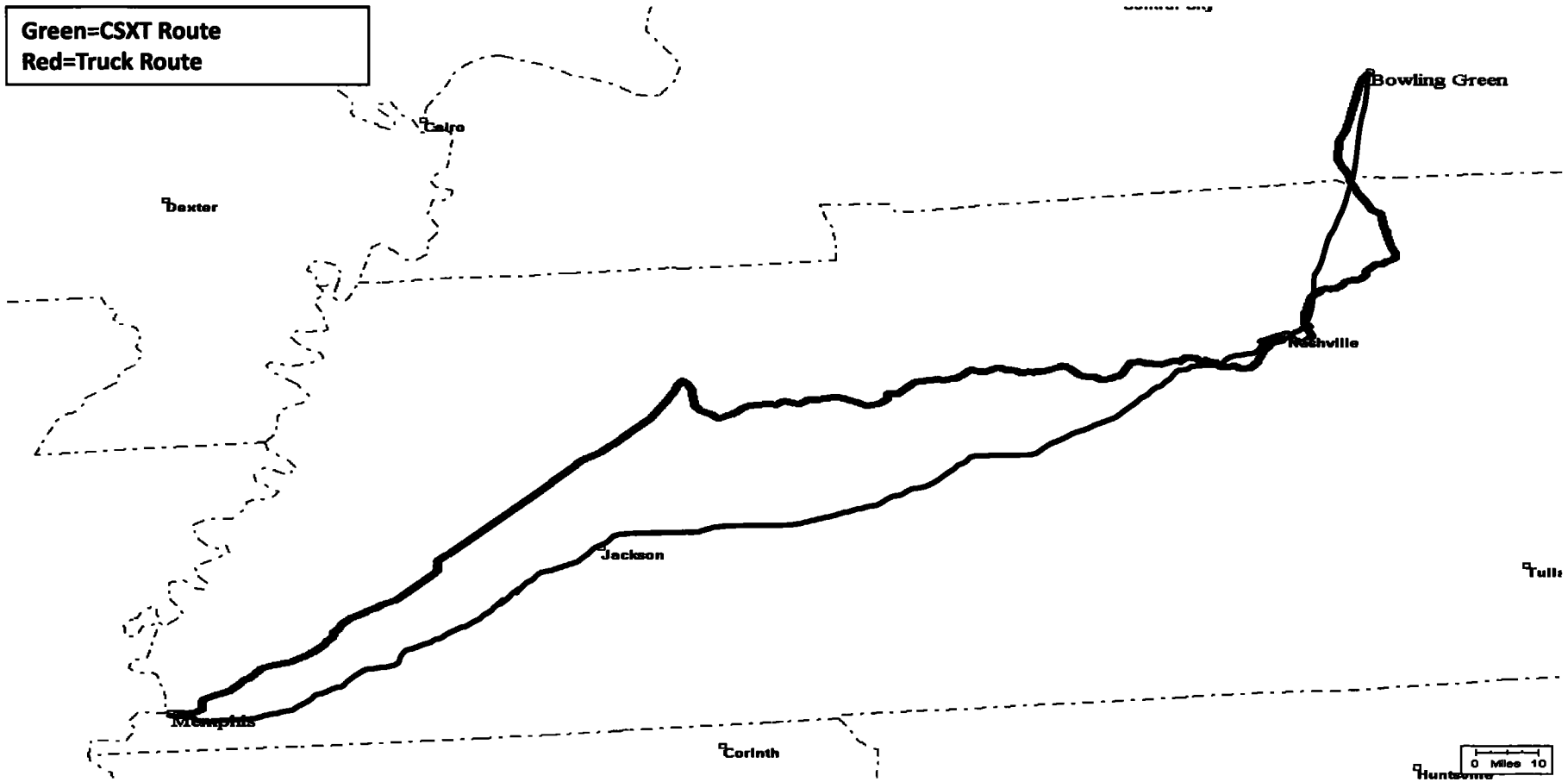
**Cost of Truck Alternative** : $4,921

**TPI Movement Number 6*: Memphis, TN – Bowling Green, KY**

CSXT Direct: 304 Mi

**Truck Alternative:**

Quality Distribution: 277 Mi




*Movement also has an Rail-Truck Competitive Option

**CSXT Tariff Rate**: $5,021

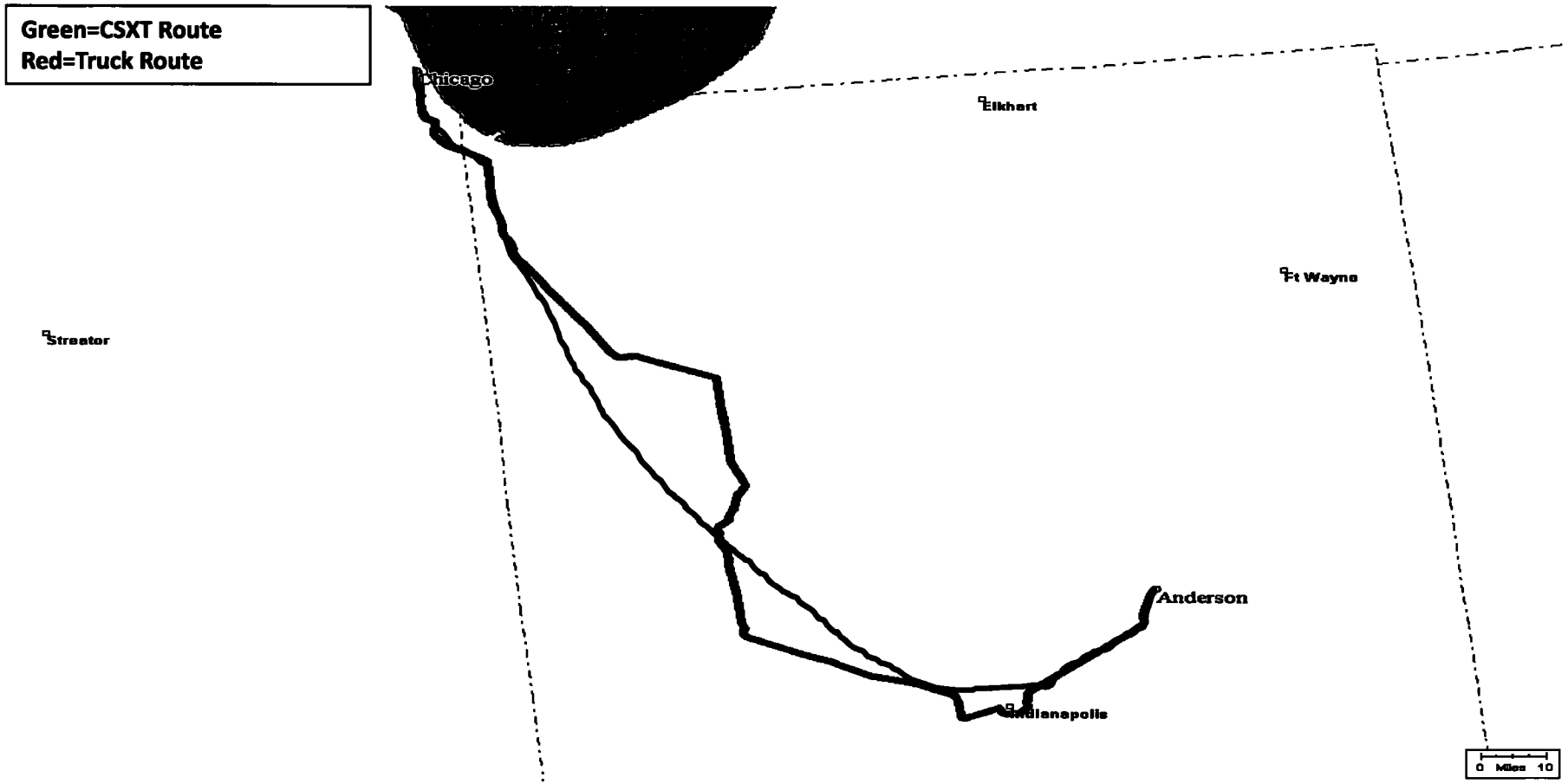
**Cost of Truck Alternative**: $4,683

**TPI Movement Number 17: Chicago, IL – Anderson, IN**

CSXT Direct: 232 Mi

**Truck Alternative:**

Bulkmatic: 203 Mi




**CSXT Tariff Rate**: $3,884

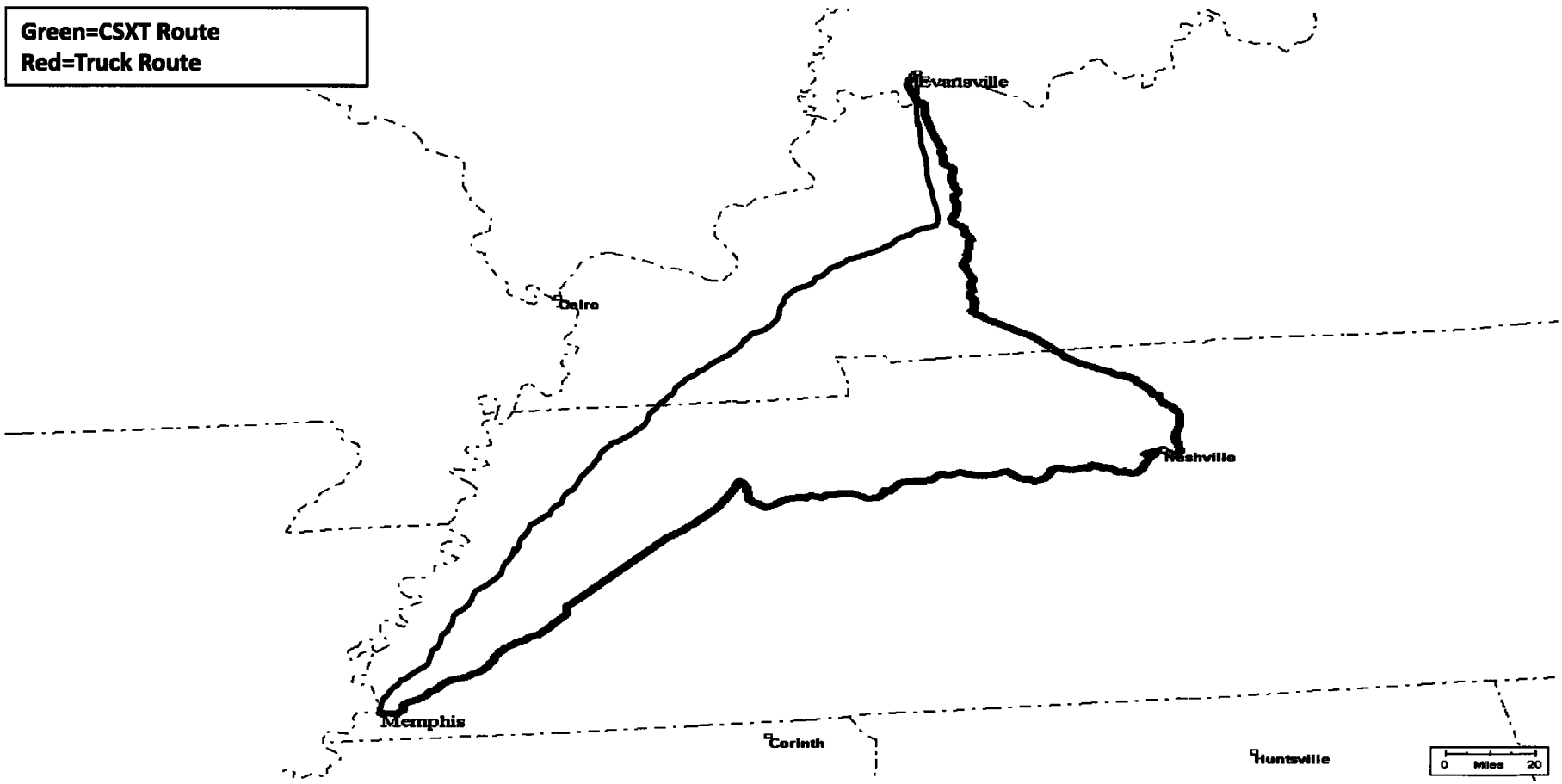
**Cost of Truck Alternative** : $2,846

**TPI Movement Number 19: Memphis, TN – Evansville, IN**

CSXT Direct: 388 Mi

**Truck Alternative:**

Quality Distribution: 292 Mi




**CSXT Tariff Rate**: $4,865

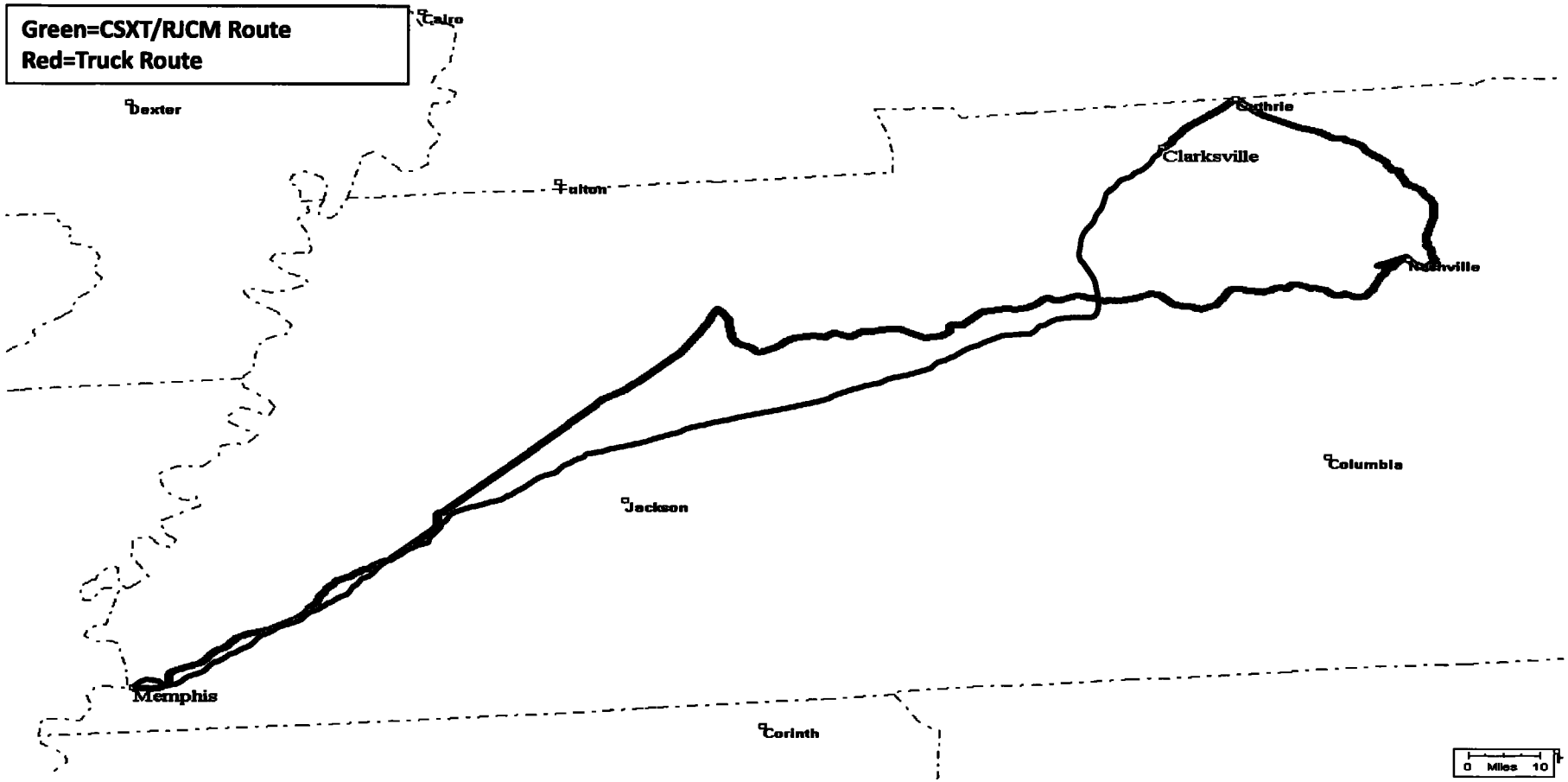
**Cost of Truck Alternative** : $4,921

**TPI Movement Number 25*: Memphis, TN – Clarksville, TN**

Memphis-CSXT-Guthrie, KY-RJCM-Clarksville: 280 Mi

**Truck Alternative:**

Quality Distribution: 207 Mi




**CSXT Tariff Rate**: $6,119

**Cost of Truck Alternative**: $3,398

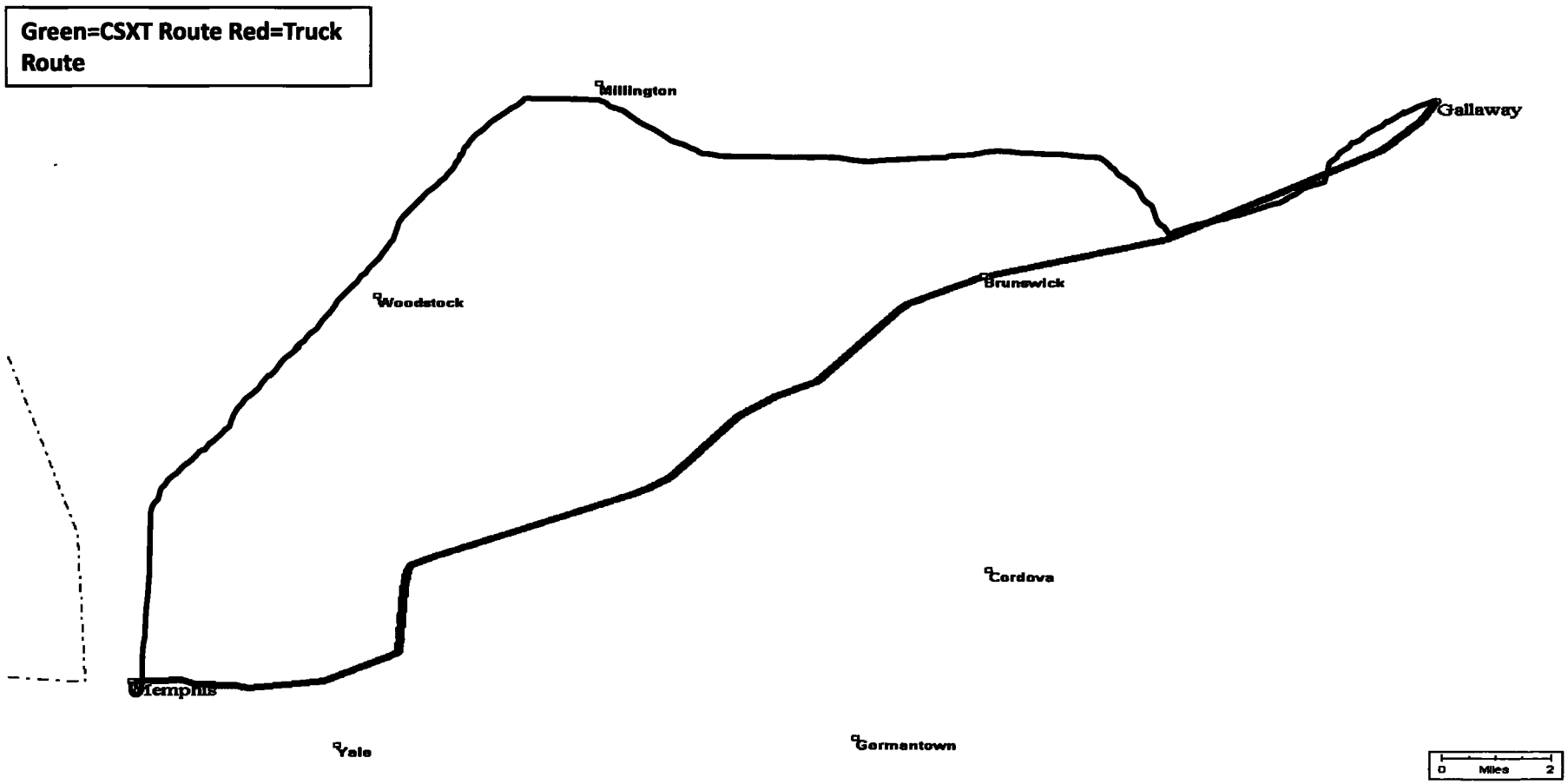
*Movement also has an Rail-Truck Competitive Option

**TPI Movement Number 51: Memphis, TN – Gallaway, TN**

CSXT Direct: 31 Mi

**Truck Alternative:**

Quality Distribution: 36 Mi




**CSXT Tariff Rate**: $4,346

**Cost of Truck Alternative**: $2,849

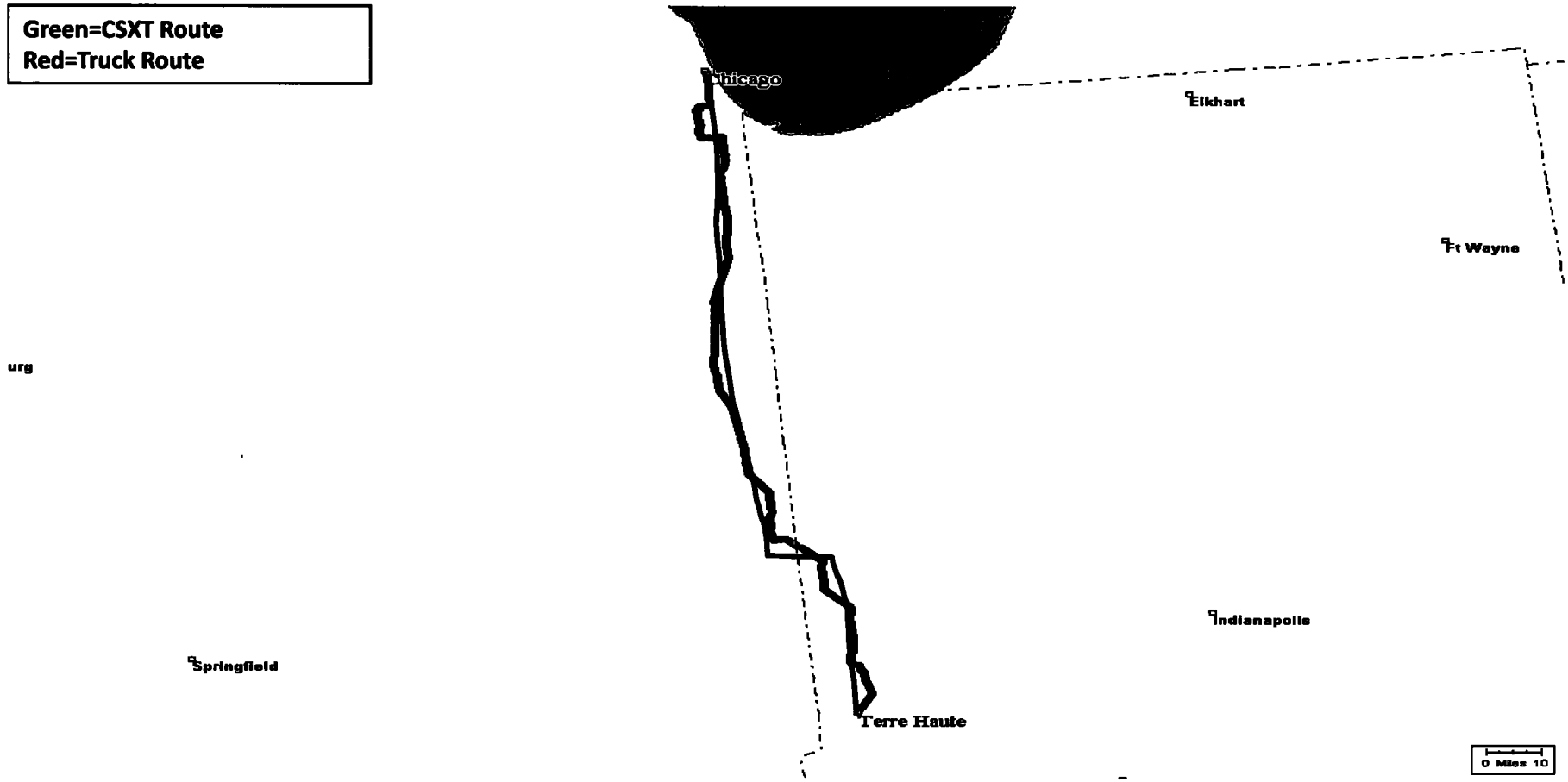
**TPI Movement Number 56*: Chicago, IL – Terre Haute, IN**

CSXT Direct: 181 Mi

**Truck Alternative:**

Bulkmatic: 168 Mi

**Green=CSXT Route**
**Red=Truck Route**




**CSXT Tariff Rate**: $3,716

**Cost of Truck Alternative**: $2,834

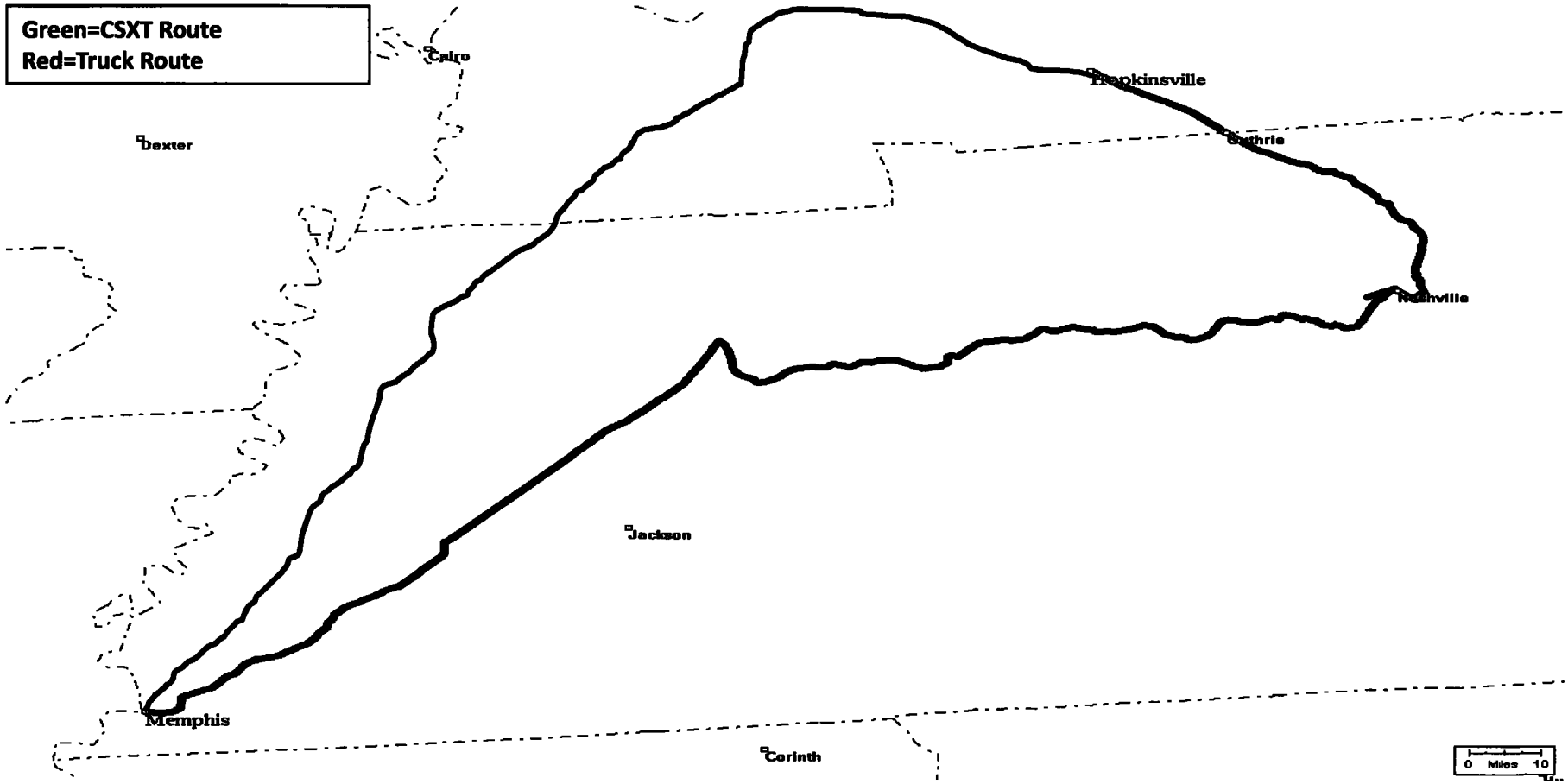
*Movement also has an Rail-Truck Competitive Option

**TPI Movement Number 57: Memphis, TN – Hopkinsville, KY**

CSXT Direct: 303 Mi

**Truck Alternative:**

Quality Distribution: 214 Mi




**CSXT Tariff Rate**: $5,021

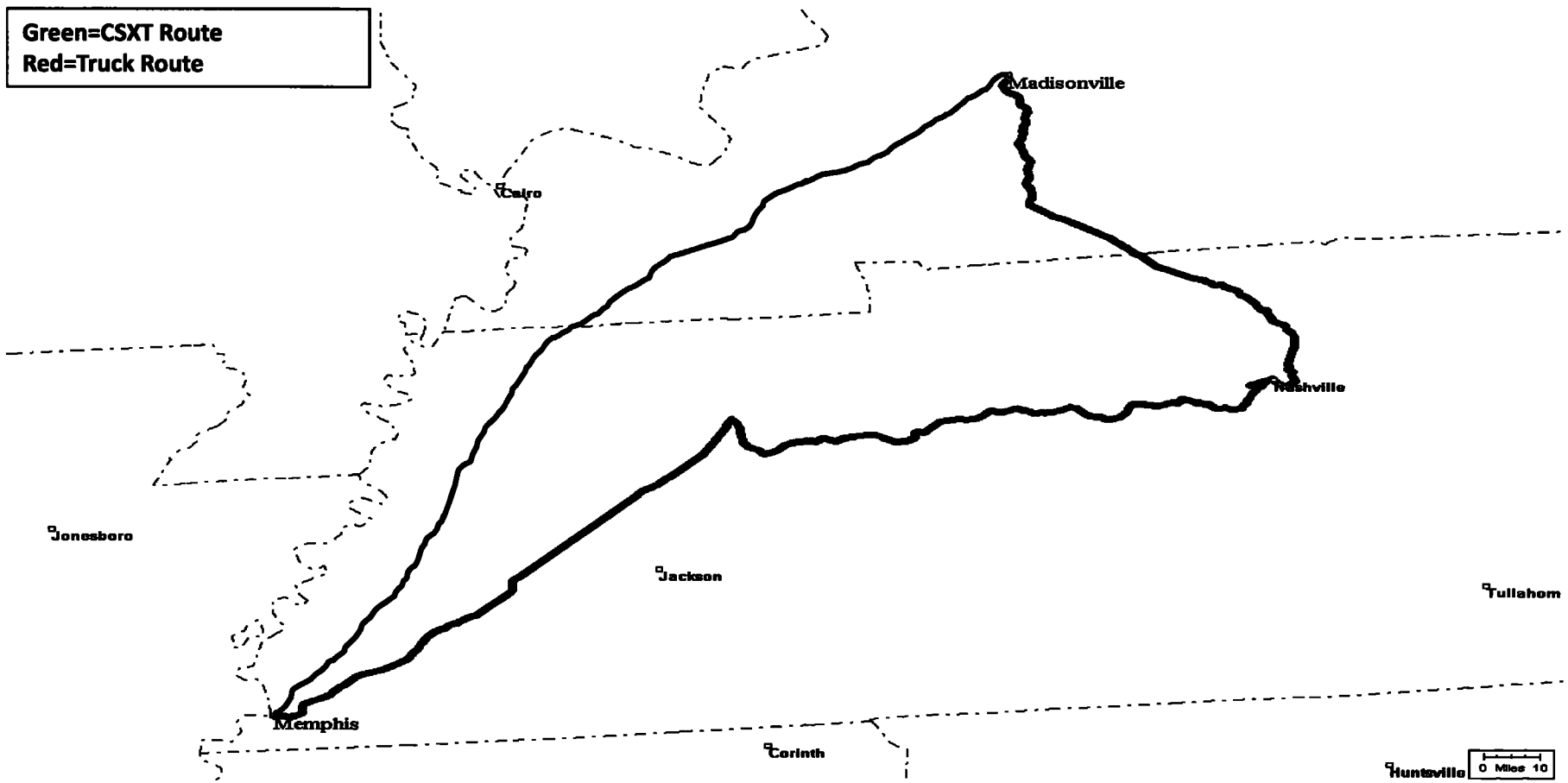
**Cost of Truck Alternative**: $3,785

**TPI Movement Number 63: Memphis, TN – Madisonville, KY**

CSXT Direct: 339 Mi

**Truck Alternative:**

Quality Distribution: 234 Mi




**CSXT Tariff Rate**: $4,855

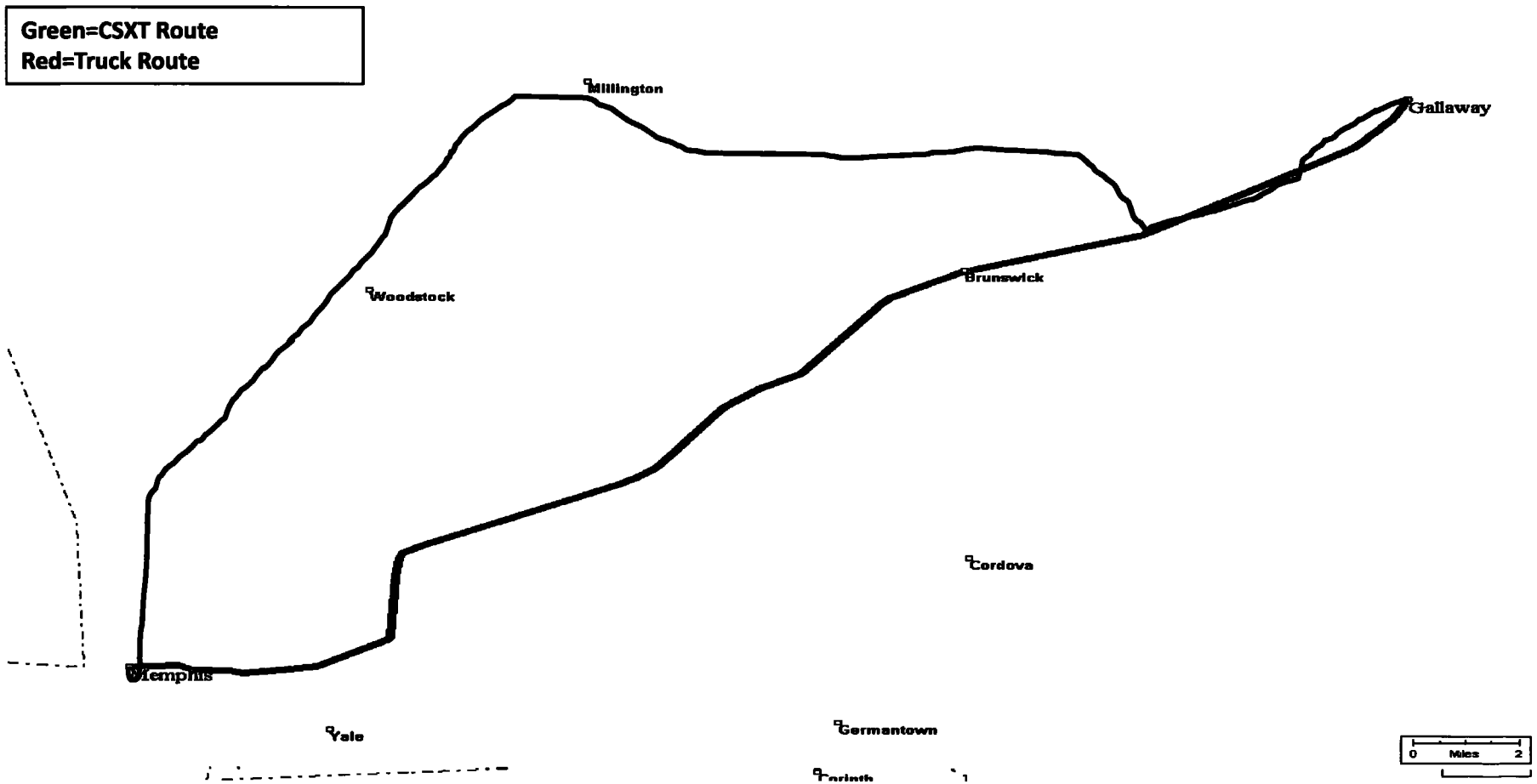
**Cost of Truck Alternative**: $3,998

**TPI Movement Number 69: Memphis, TN – Gallaway, TN**

CSXT Direct: 31 Mi

**Truck Alternative:**

Quality Distribution: 36 Mi




**CSXT Tariff Rate**: $4,346

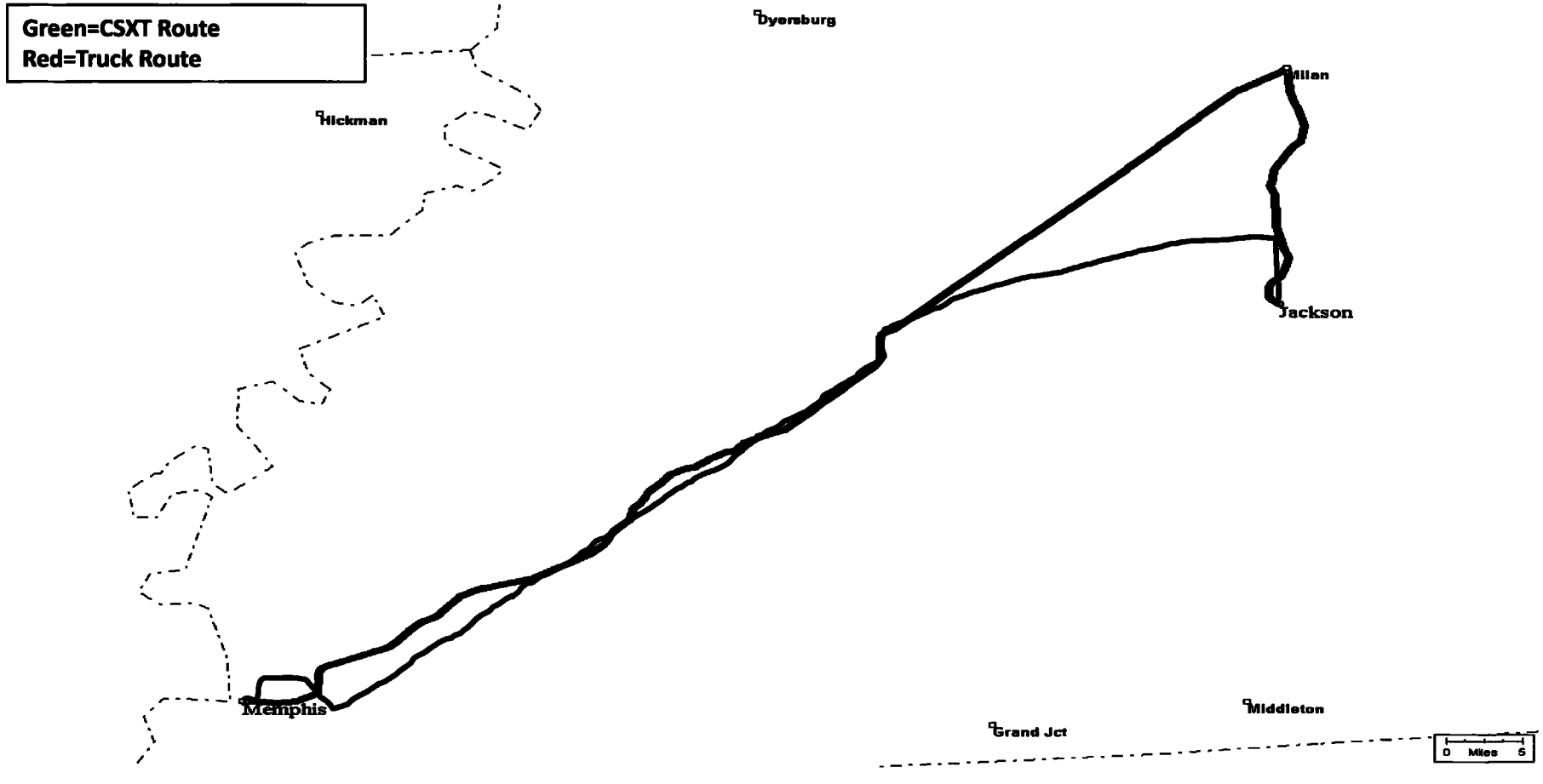
**Cost of Truck Alternative**: $2,849

**TPI Movement Number 75: Memphis, TN – Jackson, TN**

CSXT Direct: 119 Mi

**Truck Alternative:**

Quality Distribution: 90 Mi




**CSXT Tariff Rate**: $4,364

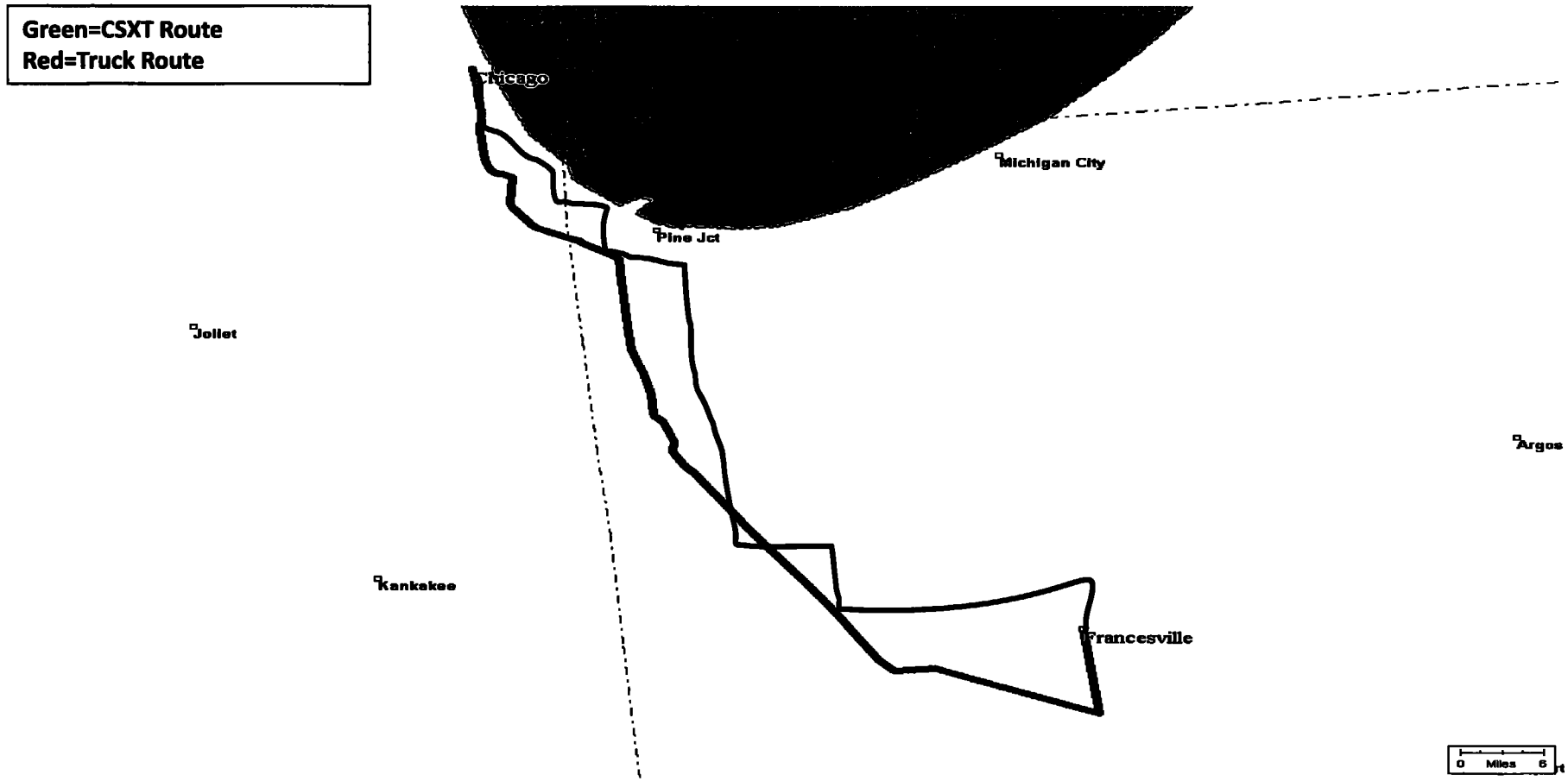
**Cost of Truck Alternative**: $2,849

**TPI Movement Number 96: Chicago, IL – Francesville, IN**

CSXT Direct: 98 Mi

**Truck Alternative:**

Bulkmatic: 95 Mi




**CSXT Tariff Rate**: $4,143

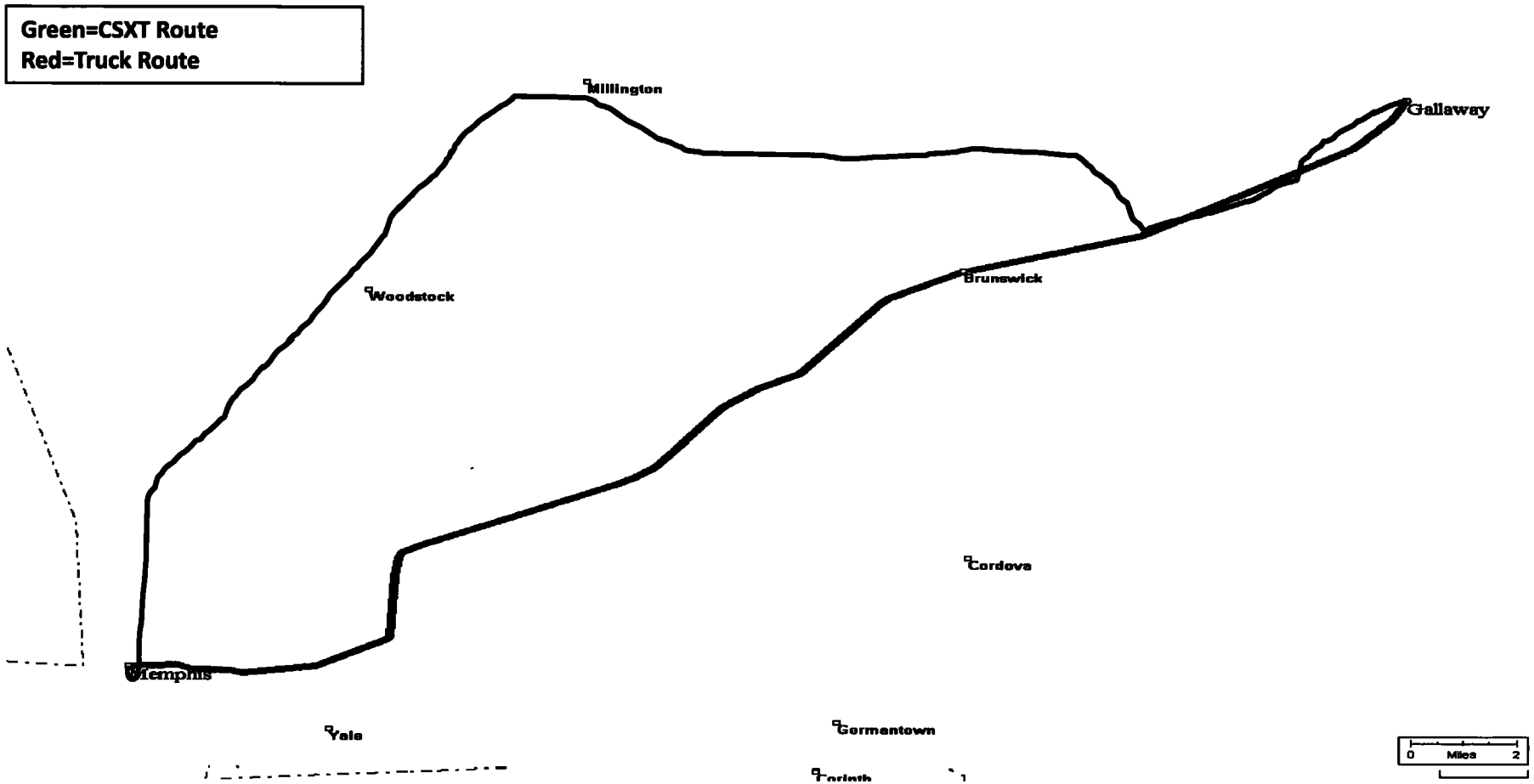
**Cost of Truck Alternative**: $2,846

**TPI Movement Number 100: Memphis, TN – Gallaway, TN**

CSXT Direct: 31 Mi

**Truck Alternative:**

Quality Distribution: 36 Mi




**CSXT Tariff Rate**: $4,346

**Cost of Truck Alternative**: $2,849

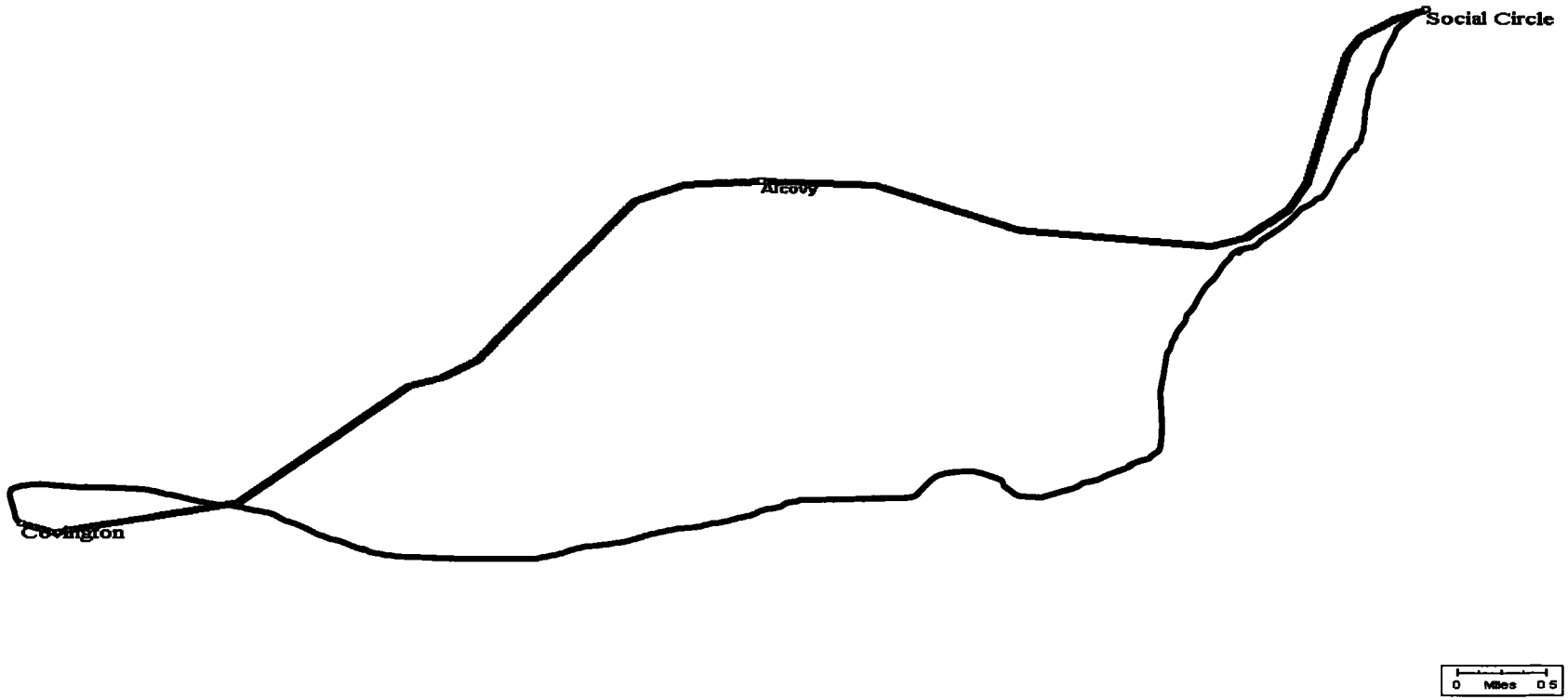
**TPI Movement Number 1L: Social Circle, GA – Covington, GA**

CSXT Direct: 11 Mi

**Truck Alternative:**

Bulkmatic: 12 Mi

**Green=CSXT Route**
**Red=Truck Route**




**CSXT Tariff Rate**: $3,302

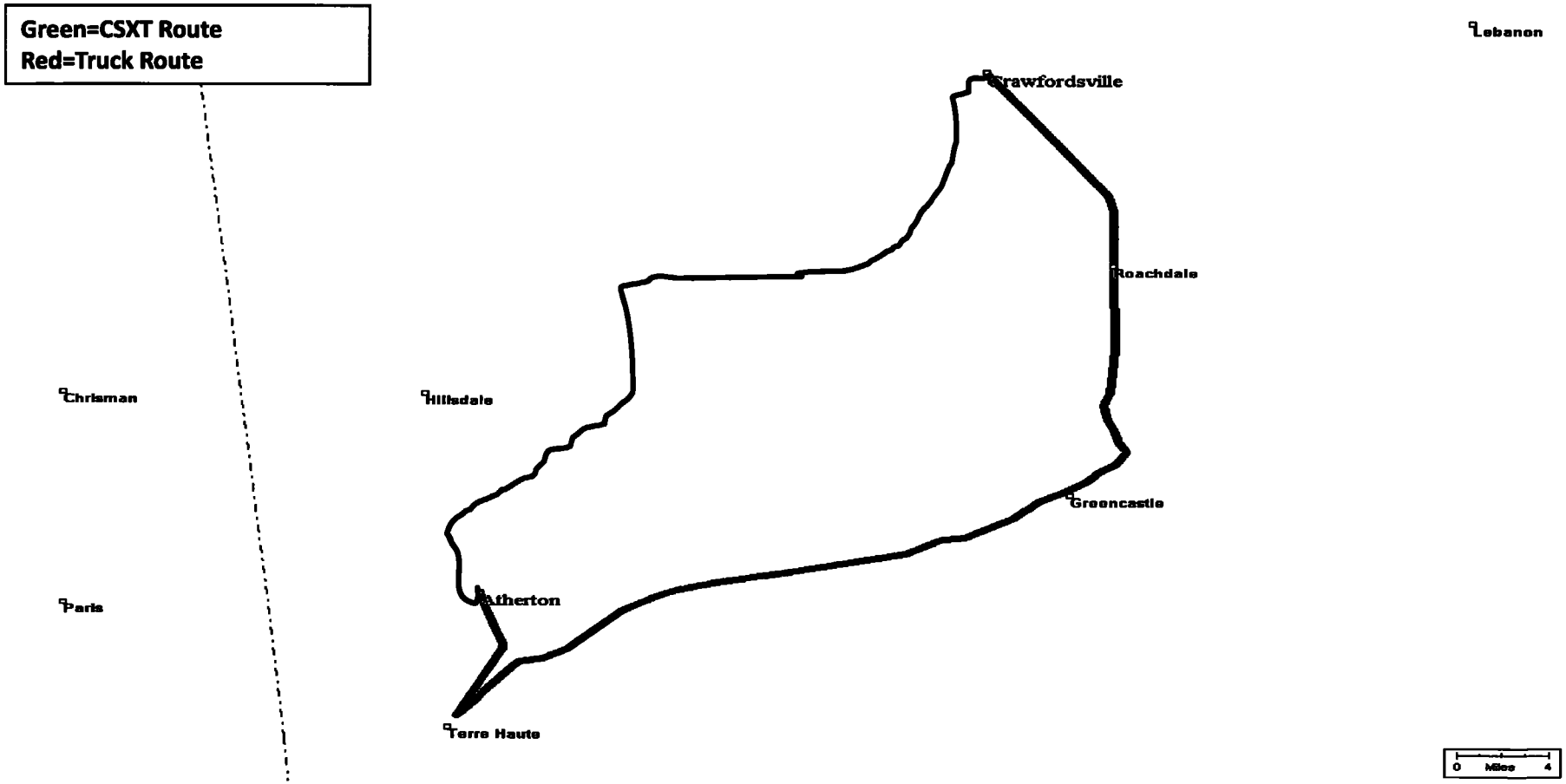
**Cost of Truck Alternative**: $1,599

**TPI Movement Number 2L: Crawfordsville, IN – Atherton, IN**

CSXT Direct: 69 Mi

**Truck Alternative:**

Bulkmatic: 50 Mi




**CSXT Tariff Rate**: $2,728

**Cost of Truck Alternative**: $1,828

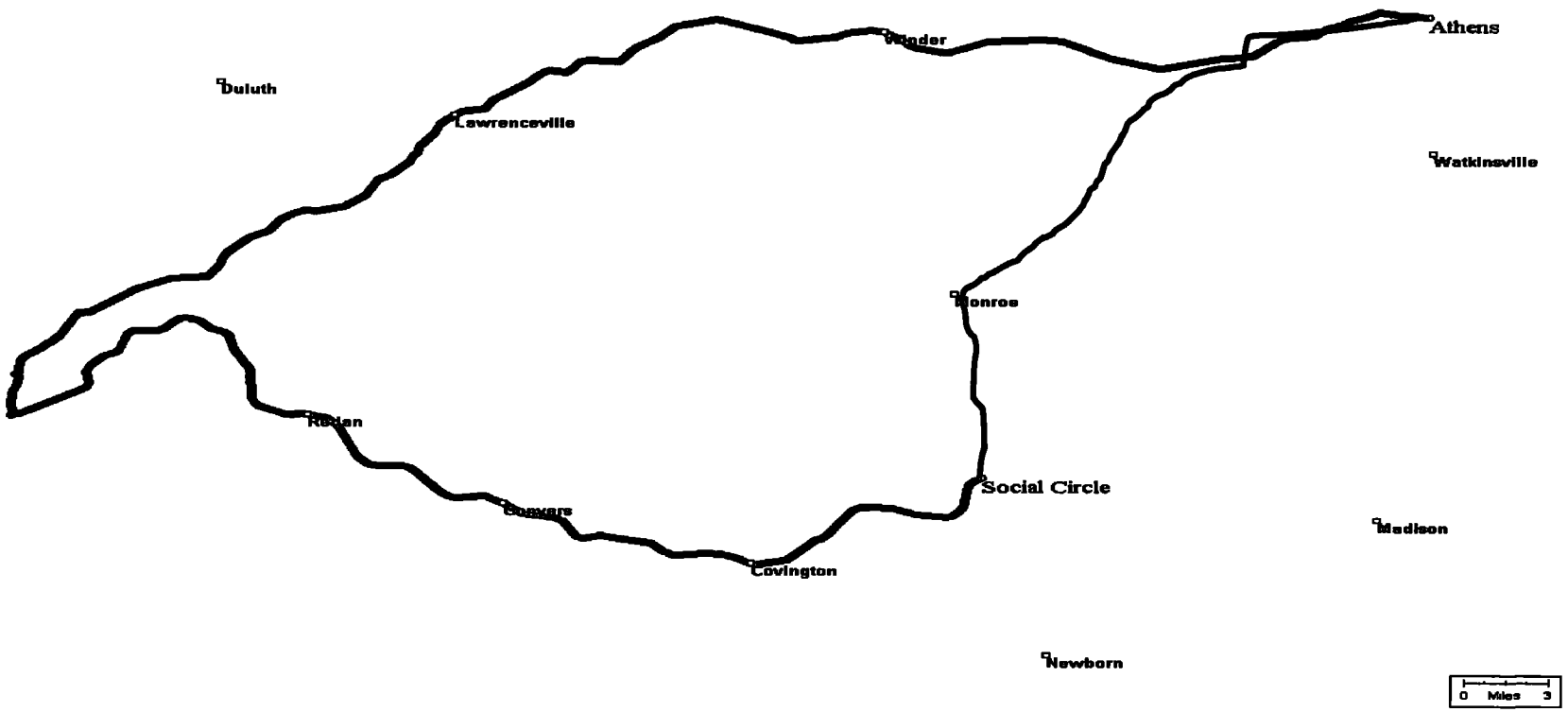
**TPI Movement Number 3L: Social Circle, GA – Athens, GA**

CSXT Direct: 108 Mi

**Truck Alternative:**

Bulkmatic: 34 Mi

**Green=CSXT Route**
**Red=Truck Route**




**CSXT Tariff Rate**: $3,322

**Cost of Truck Alternative**: $1,714

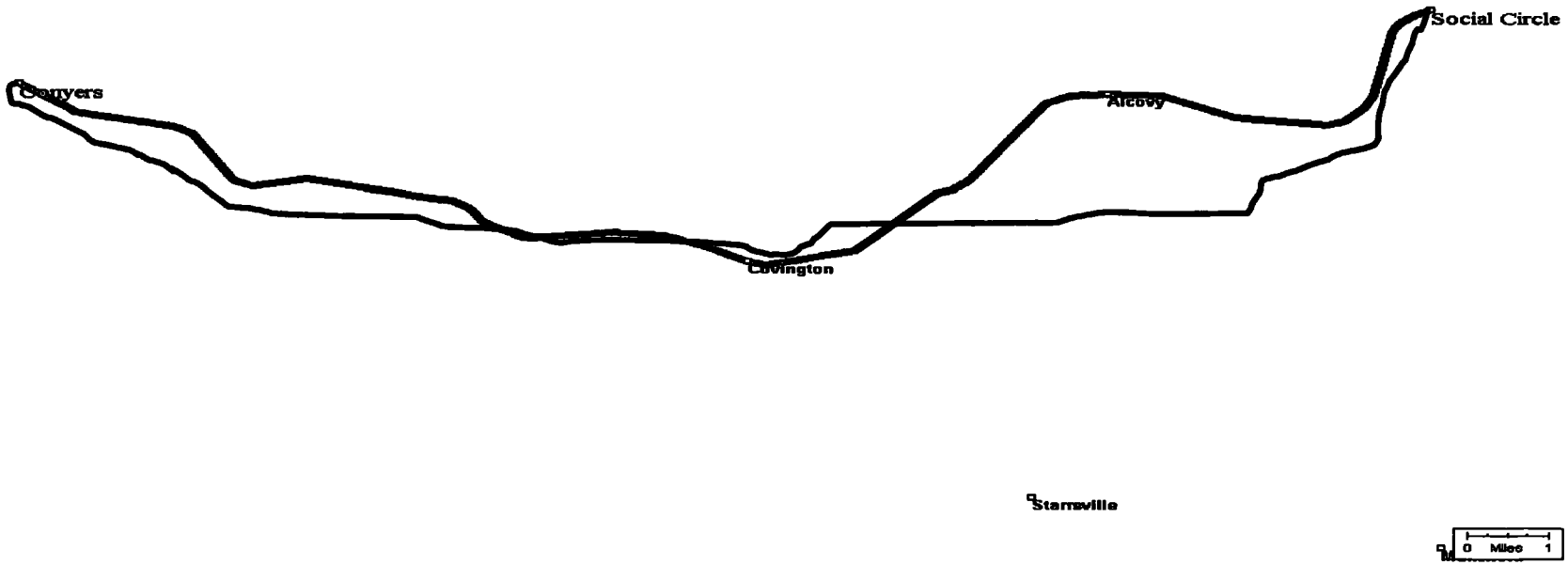
**TPI Movement Number 4L: Social Circle, GA – Conyers, GA**

CSXT Direct: 21 Mi

**Truck Alternative:**

Bulkmatic: 22 Mi

**Green=CSXT Route**
**Red=Truck Route**




**CSXT Tariff Rate**: $3,304

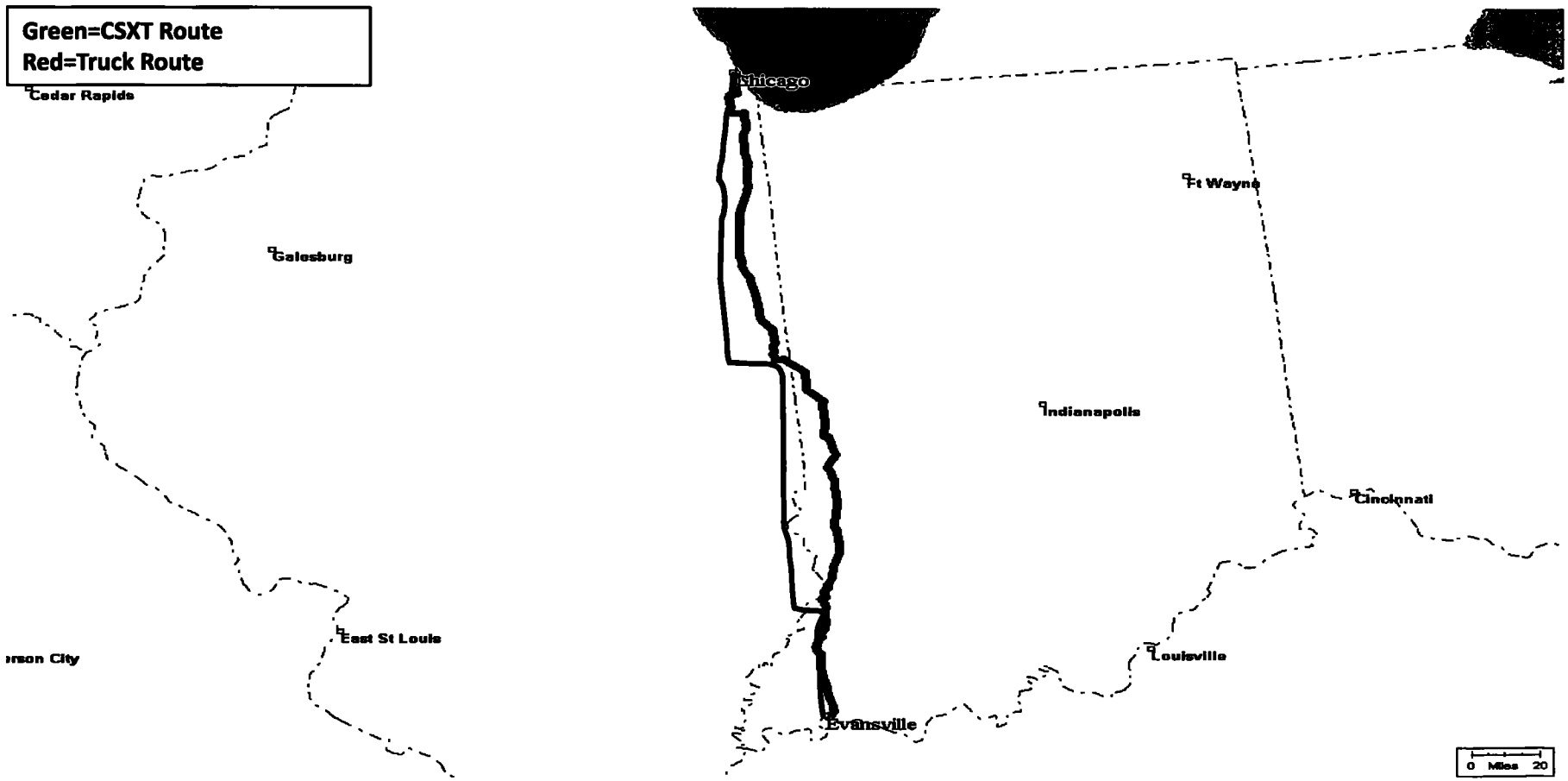
**Cost of Truck Alternative**: $1,599

**TPI Movement Number 5L*: Chicago, IL – Evansville, IN**

CSXT Direct: 290 Mi

**Truck Alternative:**

Bulkmatic: 292 Mi




**CSXT Tariff Rate**: $4,921

**Cost of Truck Alternative**: $4,809

*Movement also has an Rail-Truck Competitive Option

# COMPETITIVE ALTERNATIVES TO ISSUE MOVEMENTS: RAIL-TRUCK COMPETITION

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q10 CSXT Rate (excl. FSC) | Originating Carrier | CSXT Rail Miles | ALT Rail Route | ALT Rail Miles | Transloading facility | Facility Charge | ALT Truck Miles | Trucking Provider | ALT Rail Cost | ALT Rail Cost Source | ALT Trucking Cost | Total Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | MEMPHIS | TN | SOCIAL CIRCLE | GA | Polypropylene | $5,688 | BNSF | 569 | Memphis-NS-Doraville | 456 | NS TBT, Doraville, GA | $400 | 50 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 1 | MEMPHIS | TN | SOCIAL CIRCLE | GA | Polypropylene | $5,688 | BNSF | 569 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 50 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 3 | NEW ORLEANS | LA | COVINGTON | GA | Polystyrene | $5,948 | CN | 534 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 41 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 4 | CHICAGO | IL | CLINTON | IN | Polypropylene | $3,716 | BNSF | 166 | Chicago-CN-Kankakee-KBSR-EarlPark | 97 | KBSR Raub Yard Earl Park, IN Operated by Plastic Express | $0 | 75 | Plastic Express | {{ }} | {{ }} | $2,737 | {{ }} |
| 5 | NEW ORLEANS | LA | AMPTHILL | VA | Polyethylene | $9,101 | BNSF | 1,085 | New Orleans-NS-Petersburg | 1066 | NS TBT, Petersburg, VA | $400 | 18 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 6* | MEMPHIS | TN | BOWLING GREEN | KY | Polypropylene | $5,021 | BNSF | 304 | East St Louis-NS-Louisville-PAL-Princeton | 279 | PAL Princeton, KY operated by Bulkmatic Transport | $0 | 104 | Bulkmatic | {{ }} | {{ }} | $2,855 | {{ }} |
| 7 | NEW ORLEANS | LA | CONYERS | GA | Polystyrene | $5,946 | CN | 523 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 29 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 8 | NEW ORLEANS | LA | WASHINGTON | GA | Polypropylene | $7,932 | BNSF | 606 | New Orleans-NS-Augusta | 767 | NS TBT, Augusta, GA | $400 | 53 | Quality Distribution | {{ }} | {{ }} | $2,474 | {{ }} |
| 9 | NEW ORLEANS | LA | ATHENS | GA | Polypropylene | $5,954 | BNSF | 565 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 58 | Bulkmatic | {{ }} | {{ }} | $1,966 | {{ }} |
| 10 | MEMPHIS | TN | OLD HICKORY | TN | Polypropylene | $5,206 | BNSF | 235 | Memphis-NS-Chattanooga | 309 | NS TBT, Chattanooga, TN | $400 | 100 | Bulkmatic | {{ }} | {{ }} | $3,054 | {{ }} |
| 13 | MEMPHIS | TN | GLASGOW | KY | Polystyrene | $5,027 | CN | 337 | East St Louis-NS-Louisville | 279 | NS TBT, Louisville, KY | $400 | 96 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 14 | NEW ORLEANS | LA | WINCHESTER | VA | Polystyrene | $9,292 | CN | 1,293 | New Orleans-NS-Baltimore | 1157 | NS TBT, Baltimore, MD | $400 | 99 | Bulkmatic | {{ }} | {{ }} | $2,420 | {{ }} |
| 15 | CHICAGO | IL | ORANGEBURG | NY | Polyethylene | $7,532 | BNSF | 927 | Chicago-NS-Elizabeth | 936 | NS TBT, Elizabeth, NJ | $400 | 37 | Bulkmatic | {{ }} | {{ }} | $1,714 | {{ }} |
| 18* | CHICAGO | IL | CINCINNATI | OH | Polyethylene | $4,564 | BNSF | 319 | Chicago-NS-Cincinnati | 379 | NS TBT, Cincinnati, OH | $400 | 5 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |

**PUBLIC VERSION**

**EXHIBIT 5**

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q19 CSXT Rate Incl FSC | Originating Carrier | CSXT Rail Miles | ALT Rail Route | ALT Rail Miles | Transloading facility | Facility Charge | ALT Truck Miles | Trucking Provider | ALT Rail Cost | ALT Rail Cost Source | ALT Trucking Cost | Total Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 20 | CHICAGO | IL | CUMBERLAND | MD | Polypropylene | $6,485 | BNSF | 616 | Chicago-NS-Crafton/Pittsburgh | 481 | NS Crafton TBT, Pittsburgh, PA | $400 | 113 | Bulkmatic | {{ }} | {{ }} | $2,647 | {{ }} |
| 21 | NEW ORLEANS | LA | HAMLET | NC | Polypropylene | $6,721 | BNSF | 816 | New Orleans-NS-Pineville | 783 | NS TBT, Charlotte (Pineville), NC | $400 | 80 | Bulkmatic | {{ }} | {{ }} | $2,118 | {{ }} |
| 22 | CHICAGO | IL | MENTOR | OH | Polypropylene | $4,915 | BNSF | 358 | Chicago-NS-Cleveland.Euclid | 352 | NS TBT, Cleveland (Euclid), OH | $400 | 14 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 23 | NEW ORLEANS | LA | NORTH COVE | NC | Polyethylene | $7,450 | BNSF | 779 | New Orleans-NS-Spartanburg | 700 | NS TBT, Spartanburg, SC | $400 | 78 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 24 | EFFINGHAM | IL | LAKEVILLE | NY | Polystyrene | $8,007 | CN | 668 | Chicago-CPRS-SilverSpring-LAL | 664 | Livonia, Avon & Lakeville RR Transload Lakeville, NY | $0 | 5 | A&R | {{ }} | {{ }} | $2,480 | {{ }} |
| 25* | MEMPHIS | TN | CLARKSVILLE | TN | Polystyrene | $6,119 | CN | 280 | East St Louis-NS-Louisville | 280 | NS TBT, Louisville, KY | $400 | 181 | Quality Distribution | {{ }} | {{ }} | $3,510 | {{ }} |
| 26 | NEW ORLEANS | LA | BEECH ISLAND | SC | Polystyrene | $7,006 | CN | 669 | New Orleans-NS-Augusta | 767 | NS TBT, Augusta, GA | $400 | 9 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 27 | NEW ORLEANS | LA | STARTEX | SC | Polyethylene | $7,224 | BNSF | 719 | New Orleans-NS-Spartanburg | 700 | NS TBT, Spartanburg, SC | $400 | 10 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 28 | NEW ORLEANS | LA | SOCIAL CIRCLE | GA | Polypropylene | $5,950 | BNSF | 544 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 50 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 33 | CHICAGO | IL | TERRE HAUTE | IN | Polyethylene | $3,718 | BNSF | 181 | Chicago-CN-Kankakee-KBSR-EarlPark | 97 | KBSR Raub Yard Earl Park, IN Operated by Plastic Express | $0 | 89 | Plastic Express | {{ }} | {{ }} | $2,737 | {{ }} |
| 34 | CHICAGO | IL | UTICA | NY | Polypropylene | $7,751 | BNSF | 717 | Chicago-CPRS-Guilderland Ctr | 883 | Plastic Express Transfer Terminal 2 Van Buren Blvd. Guilderland Center, NY Served by SMS Rail | $0 | 88 | Plastic Express | {{ }} | {{ }} | $2,737 | {{ }} |
| 35 | NEW ORLEANS | LA | CARTERSVILLE | GA | Polypropylene | $5,949 | BNSF | 542 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 45 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 37 | NEW ORLEANS | LA | Simpsonville | SC | Polypropylene | 8069 | BNSF | 671 | New Orleans-NS-Spartanburg | 700 | NS TBT, Spartanburg, SC | $400 | 93 | Bulkmatic | {{ }} | {{ }} | $2,420 | {{ }} |
| 39 | NEW ORLEANS | LA | LAWRENCEVILLE | GA | Polyethylene | $5,946 | BNSF | 526 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 20 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |

**PUBLIC VERSION**

**EXHIBIT 5**

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q10 CSXT Rate Incl. FSC | Originating Carrier | CSXT Rail Miles | ALT Rail Route | ALT Rail Miles | Transloading facility | Facility Charge | ALT Truck Miles | Trucking Provider | ALT Rail Cost | ALT Rail Cost Source | ALT Trucking Cost | Total Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 41 | EAST ST. LOUI | IL | SHELBYVILLE | KY | Polypropylene | $5,213 | BNSF | 380 | East St Louis-NS-Louisville | 280 | NS TBT, Louisville, KY | $400 | 33 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 42 | EFFINGHAM | IL | WARMINSTER | PA | Polystyrene | $9,548 | CN | 997 | East St Louis-NS-Philadelphia | 1029 | Savage Services Phila, PA site served by CR | $400 | 29 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 43 | NEW ORLEANS | LA | COVINGTON | GA | Polypropylene | $5,948 | BNSF | 534 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 40 | Bulkmatic | {{ }} | {{ }} | $1,714 | {{ }} |
| 45 | NEW ORLEANS | LA | HOLLYWOOD | FL | Polypropylene | $7,652 | BNSF | 974 | New Orleans-NS-Miami | 1198 | NS TBT, Miami, FL | $400 | 19 | A&R | {{ }} | {{ }} | $2,480 | {{ }} |
| 48 | NEW ORLEANS | LA | ACKERMAN | GA | Polypropylene | $5,938 | BNSF | 483 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 36 | Bulkmatic | {{ }} | {{ }} | $1,714 | {{ }} |
| 49 | CHICAGO | IL | WESTBORO | MA | Polyethylene | $8,854 | BNSF | 982 | Chicago-NS-Garden-PW-Worcester | 1029 | Mid-States Packaging Worcester, MA | $0 | 15 | A&R | {{ }} | {{ }} | $2,480 | {{ }} |
| 50 | CHICAGO | IL | EIGHTY FOUR | PA | Polypropylene | $6,465 | BNSF | 500 | Chicago-NS-Pittsburgh | 481 | NS TBT, Pittsburgh, PA | $400 | 30 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 53 | MEMPHIS | TN | NASHVILLE | TN | Polyethylene | $5,005 | BNSF | 232 | Memphis-NS-Chattanooga | 309 | NS TBT, Chattanooga, TN | $400 | 135 | Bulkmatic | {{ }} | {{ }} | $2,975 | {{ }} |
| 54 | NEW ORLEANS | LA | LAGRANGE | GA | Polypropylene | $5,476 | BNSF | 424 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 80 | Bulkmatic | {{ }} | {{ }} | $2,118 | {{ }} |
| 56* | CHICAGO | IL | TERRE HAUTE | IN | Polypropylene | $3,716 | BNSF | 181 | Chicago-CN-Kankakee-KBSR-EarlPark | 97 | KBSR Raub Yard Earl Park, IN Operated by Plastic Express | $0 | 89 | Plastic Express | {{ }} | {{ }} | $2,737 | {{ }} |
| 59 | NEW ORLEANS | LA | AUGUSTA | KY | Polypropylene | $7,804 | BNSF | 956 | New Orleans-NS-Cincinnati | 829 | NS TBT, Cincinnati, OH | $400 | 45 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 60 | NEW ORLEANS | LA | BALTIMORE | MD | Polyethylene | $9,669 | BNSF | 1,245 | New Orleans-NS-Baltimore | 1157 | NS TBT, Baltimore, MD | $400 | 5 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 61 | CHICAGO | IL | UTICA | NY | Polyethylene | $7,751 | BNSF | 717 | Chicago-CPRS-Guilderland Ctr | 883 | Plastic Express Transfer Terminal 2 Van Buren Blvd. Guilderland Center, NY Served by SMS Rail | $0 | 87 | Plastic Express | {{ }} | {{ }} | $2,975 | {{ }} |
| 62 | CHICAGO | IL | CLARKSBURG | WV | Polypropylene | $6,323 | BNSF | 635 | East St. Louis-NS-Pittsburgh/Crafton | 662 | NS TBT, Pittsburgh, PA | $400 | 110 | Bulkmatic | {{ }} | {{ }} | $2,561 | {{ }} |

**PUBLIC VERSION**

**EXHIBIT 5**

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q18 CSXT Rate Incl FSC | Originating Carrier | CSXT Rail Miles | ALT Rail Route | ALT Rail Miles | Transloading facility | Facility Charge | ALT Truck Miles | Trucking Provider | ALT Rail Cost† | ALT Rail Cost Source | ALT Trucking Cost | Total Cost†† |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 65 | NEW ORLEANS | LA | LAGRANGE | GA | Polypropylene | $5,476 | BNSF | 424 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 80 | Bulkmatic | {{ }} | {{ }} | $2,118 | {{ }} |
| 67* | CHICAGO | IL | AKRON | OH | Polypropylene | $4,912 | BNSF | 345 | Chicago-NS-Euclid | 352 | NS TBT, Cleveland (Euclid), OH | $400 | 44 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 68 | EAST ST LOUIS | IL | HATFIELD | PA | Polystyrene | $8,256 | CN | 1,098 | East St. Louis-NS-Philadelphia | 1029 | Savage Services Phila, Pa site served by CR. | $400 | 33 | Bulkmatic | {{ }} | {{ }} | $1,714 | {{ }} |
| 68 | EAST ST LOUIS | IL | HATFIELD | PA | Polystyrene | $8,256 | CN | 1,098 | New Orleans-NS-Bethlehem-PBNE Switch | 1360 | Bulkmatic Transport Bethlehem, PA served by PBNE RR | $0 | 27 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 70* | NEW ORLEANS | LA | CHATTANOOGA | TN | Polypropylene | $5,807 | BNSF | 631 | New Orleans-NS-Chattanooga | 497 | NS TBT, Chattanooga, TN | $400 | 5 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 71 | NEW ORLEANS | LA | ETON | GA | Polypropylene | $5,799 | BNSF | 590 | New Orleans-NS-Dalton | 539 | NS TBT, Dalton, GA | $400 | 16 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 72 | NEW ORLEANS | LA | TYNER | TN | Polypropylene | $5,809 | BNSF | 641 | New Orleans-NS-Chattanooga | 497 | NS TBT, Chattanooga, TN | $400 | 15 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 73 | CHICAGO | IL | LYONS | NY | Polyethylene | $6,831 | BNSF | 619 | Chicago-NS-Buffalo | 523 | NS TBT, Buffalo, NY | $400 | 113 | Bulkmatic | {{ }} | {{ }} | $2,647 | {{ }} |
| 74 | MEMPHIS | TN | LEBANON | TN | Polyethylene | $5,510 | BNSF | 235 | Memphis-NS-Chattanooga | 309 | NS TBT, Chattanooga, TN | $400 | 134 | Bulkmatic | {{ }} | {{ }} | $2,975 | {{ }} |
| 76 | MEMPHIS | TN | LEWISBURG | TN | Polypropylene | $5,016 | BNSF | 285 | Memphis-NS-Chattanooga | 309 | NS TBT, Chattanooga, TN | $400 | 123 | Bulkmatic | {{ }} | {{ }} | $2,798 | {{ }} |
| 79 | NEW ORLEANS | LA | NEWNAN | GA | Polypropylene | $5,932 | BNSF | 456 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 52 | Bulkmatic | {{ }} | {{ }} | $1,966 | {{ }} |
| 80 | NEW ORLEANS | LA | PETERSBURG | WV | Polypropylene | $9,515 | BNSF | 1,397 | East St Louis-NS-Pittsburgh/Crafton | 662 | NS TBT, Pittsburgh, PA | $400 | 151 | Bulkmatic | {{ }} | {{ }} | $3,233 | {{ }} |
| 82 | CHICAGO | IL | LIVONIA | MI | Polyethylene | $5,494 | BNSF | 298 | Chicago-NS-Ypsilanti | 297 | NS TBT, Detroit (Ypsilanti), MI | $400 | 20 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 83 | CHICAGO | IL | LOCKPORT | NY | Polypropylene | $6,372 | BNSF | 553 | Chicago-NS-Buffalo | 523 | NS TBT, Buffalo, NY | $400 | 30 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |

**PUBLIC VERSION**

**EXHIBIT 5**

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q10 CSXT Rate Incl FSC | Originating Carrier | CSXT Rail Miles | ALT Rail Route | ALT Rail Miles | Transloading facility | Facility Charge | ALT Truck Miles | Trucking Provider | ALT Rail Cost | ALT Rail Cost Source | ALT Trucking Cost | Total Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 85 | MEMPHIS | TN | HAWESVILLE | KY | Polyethylene | $4,874 | BNSF | 432 | East St Louis-NS-Louisville | 280 | NS TBT, Louisville, KY | $400 | 78 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 86 | NEW ORLEANS | LA | THOMSON | GA | Polyethylene | $6,989 | BNSF | 626 | New Orleans-NS-Augusta | 767 | NS TBT, Augusta, GA | $400 | 33 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 87 | NEW ORLEANS | LA | TARBORO | NC | Polyethylene | $8,567 | BNSF | 983 | New Orleans-NS-Fayetteville-AR | 1010 | AR Rail Fayetteville, NC terminal operated by Tidewater Transit | $0 | 112 | Tidewater Transit | {{ }} | {{ }} | $3,080 | {{ }} |
| 88 | NEW ORLEANS | LA | DECATUR | GA | Polypropylene | $5,941 | BNSF | 501 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 10 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 89 | NEW ORLEANS | LA | HORSE CAVE | KY | Polypropylene | $7,713 | BNSF | 726 | New Orleans-NS-Louisville | 804 | NS TBT, Louisville, KY | $400 | 81 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 90 | NEW ORLEANS | LA | VANCEBURG | KY | Polypropylene | $7,813 | BNSF | 978 | New Orleans-NS-Cincinnati | 829 | NS TBT, Cincinnati, OH | $400 | 94 | Bulkmatic | {{ }} | {{ }} | $2,420 | {{ }} |
| 92 | CHICAGO | IL | FARMINGDALE | NY | Polypropylene | $8,593 | BNSF | 956 | Chicago-NS-Elizabeth | 910 | NS TBT, Elizabeth, NJ | $400 | 52 | Bulkmatic | {{ }} | {{ }} | $1,966 | {{ }} |
| 93 | CHICAGO | IL | NORTH VERNON | IN | Polyethylene | $4,010 | BNSF | 270 | East St. Louis-NS-Louisville | 280 | NS TBT, Louisville, KY | $400 | 65 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 94 | NEW ORLEANS | LA | PENDERGRASS | GA | Polypropylene | $5,958 | BNSF | 586 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 45 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 97 | NEW ORLEANS | LA | JEFFERSON | GA | Polystyrene | $5,957 | CN | 579 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 50 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 98 | NEW ORLEANS | LA | JEFFERSON | GA | Polypropylene | $5,957 | BNSF | 579 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 50 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 99 | EFFINGHAM | IL | MAMARONECK | NY | Polystyrene | $8,286 | CN | 1,049 | Chicago-NS-Patterson | 936 | NS TBT, Paterson, NJ | $400 | 34 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 101 | MEMPHIS | TN | GLASGOW | KY | Polypropylene | $5,027 | CN | 337 | East St Louis-NS-Louisville | 280 | NS TBT, Louisville, KY | $400 | 96 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 102 | NEW ORLEANS | LA | ACKERMAN | GA | Polyethylene | $5,938 | BNSF | 483 | New Orleans-NS-Doraville | 530 | NS TBT, Doraville, GA | $400 | 36 | Bulkmatic | {{ }} | {{ }} | $1,714 | {{ }} |

**PUBLIC VERSION**

**EXHIBIT 5**

| Lane | Origin City | O ST | Destination City | D ST | Commodity | 1Q19 CSXT Rate Incl. FSC | Originating Carrier | CSXT Rail Miles | ALT Rail Route | ALT Rail Miles | Transloading facility | Facility Charge | ALT Truck Miles | Trucking Provider | ALT Rail Cost† | ALT Rail Cost Source | ALT Trucking Cost | Total Cost†† |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 103 | NEW ORLEANS | LA | BEECH ISLAND | SC | Polypropylene | $7,006 | CN | 669 | New Orleans-NS-Augusta | 767 | NS TBT, Augusta, GA | $400 | 9 | Quality Distribution | {{ }} | {{ }} | $2,574 | {{ }} |
| 105 | NEW ORLEANS | LA | HAMLET | NC | Polyethylene | $6,721 | BNSF | 816 | New Orleans-NS-Pineville | 783 | NS TBT, Charlotte (Pineville), NC | $400 | 80 | Bulkmatic | {{ }} | {{ }} | $2,118 | {{ }} |
| 106 | NEW ORLEANS | LA | HAMLET | NC | Polystyrene | $6,721 | BNSF | 816 | New Orleans-NS-Pineville | 783 | NS TBT, Charlotte (Pineville), NC | $400 | 80 | Bulkmatic | {{ }} | {{ }} | $2,118 | {{ }} |
| 107 | NEW ORLEANS | LA | WINCHESTER | VA | Polypropylene | $9,292 | BNSF | 1,293 | New Orleans-NS-Baltimore | 1157 | NS TBT, Baltimore, MD | $400 | 99 | Bulkmatic | {{ }} | {{ }} | $2,420 | {{ }} |
| 108* | CHICAGO | IL | AKRON | OH | Polyethylene | $4,912 | BNSF | 345 | Chicago-NS-Euclid | 352 | NS TBT, Cleveland (Euclid), OH | $400 | 44 | Bulkmatic | {{ }} | {{ }} | $1,828 | {{ }} |
| 111 | CHICAGO | IL | PITTSFIELD | MA | Polypropylene | $8,362 | BNSF | 860 | Chicago-CPRS-Guilderland Ctr | 883 | Plastic Express Transfer Terminal 2 Van Buren Blvd. Guilderland Center, NY Served by SMS Rail | $0 | 52 | Plastic Express | {{ }} | {{ }} | $2,737 | {{ }} |
| 112 | NEW ORLEANS | LA | DALTON | GA | Polypropylene | $5,800 | BNSF | 593 | New Orleans-NS-Dalton | 539 | NS TBT, Dalton, GA | $400 | 5 | Bulkmatic | {{ }} | {{ }} | $1,599 | {{ }} |
| 113 | CHICAGO | IL | CLARKSBURG | WV | Polyethylene | $6,323 | BNSF | 635 | East St. Louis-NS-Pittsburgh/Crafton | 662 | NS TBT, Pittsburgh, PA | $400 | 110 | Bulkmatic | {{ }} | {{ }} | $ 2,561 | {{ }} |
| 114 | CHICAGO | IL | WESTFIELD | MA | Polypropylene | $8,371 | BNSF | 903 | New Orleans-NS-Garden-PW-Worchester | 1753 | Mid-States Packaging Worcester, MA | $0 | 59 | A&R | {{ }} | {{ }} | $ 2,480 | {{ }} |
| 5L* | CHICAGO | IL | EVANSVILLE | IN | Polypropylene | $4,921 | CSXT | 290 | Chicago-CN-Effingham-EFRR-Effingham | 201 | Effingham Railroad Transload, Effingham, IL Served by Effingham RR (CN access) | $0 | 128 | A&R | {{ }} | {{ }} | $ 3,472 | {{ }} |

*Movement has at least one other competitive alternative
†Includes 1Q10 fuel surcharge, if applicable
††Sum of Rail Cost, Facility Charge, and Trucking Cost

**PUBLIC VERSION**

**EXHIBIT 5**

# Exhibit 6:
# Maps of Rail-Truck Competitive Alternatives to Issue Movements

**PUBLIC VERSION**

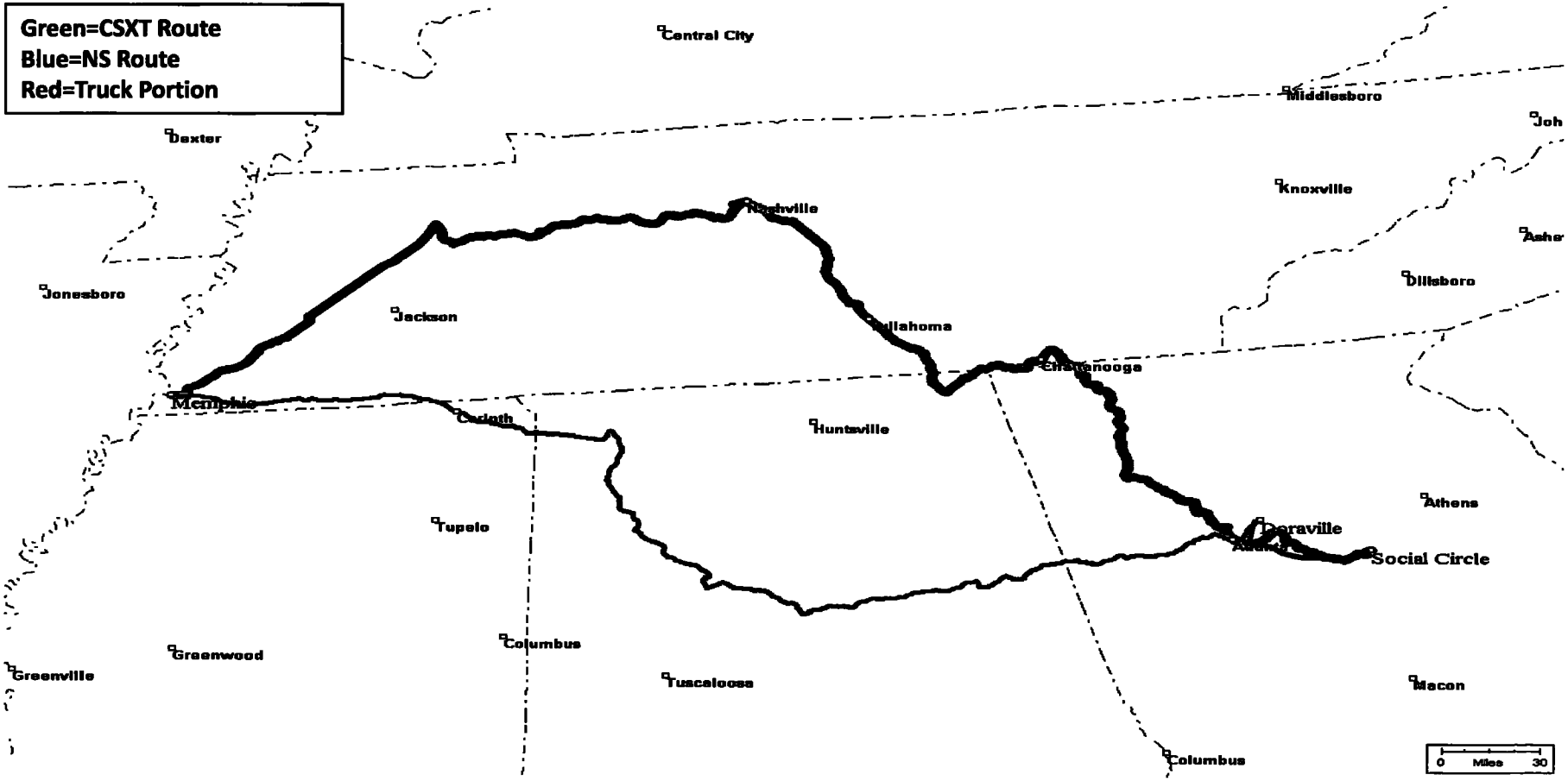
**TPI Movement Number 1: Memphis, TN – Social Circle, GA**

CSXT Direct: 569 Mi

**Alternative:**

NS Rail: Memphis, TN – Doraville, GA (456 Mi)

Truck: Doraville, GA – Social Circle, GA (50 Mi)




**CSXT Tariff Rate**: $5,688

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

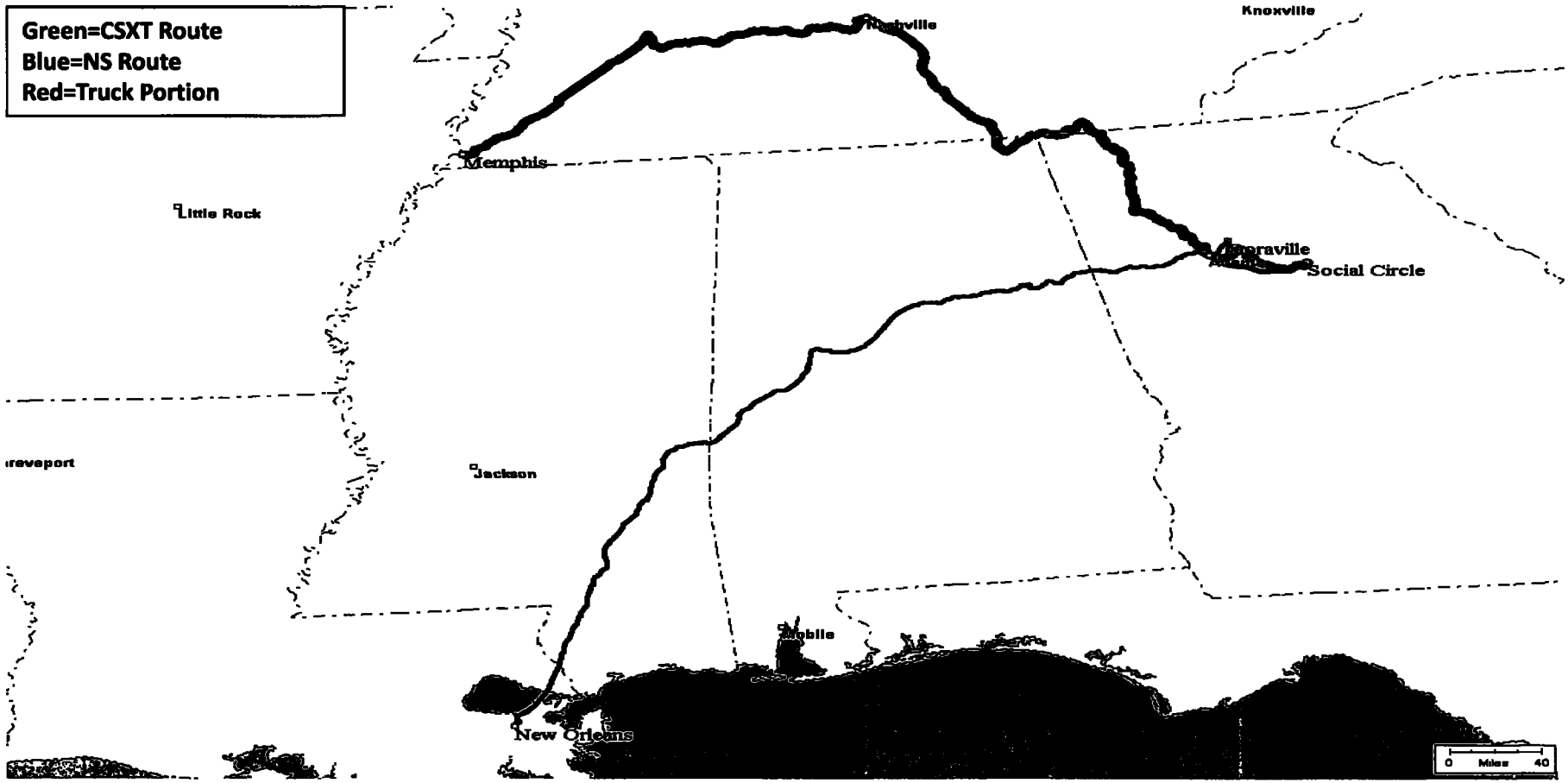
**TPI Movement Number 1: Memphis, TN – Social Circle, GA**

CSXT Direct: 569 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Social Circle, GA (50 Mi)




**CSXT Tariff Rate:** $5,688

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

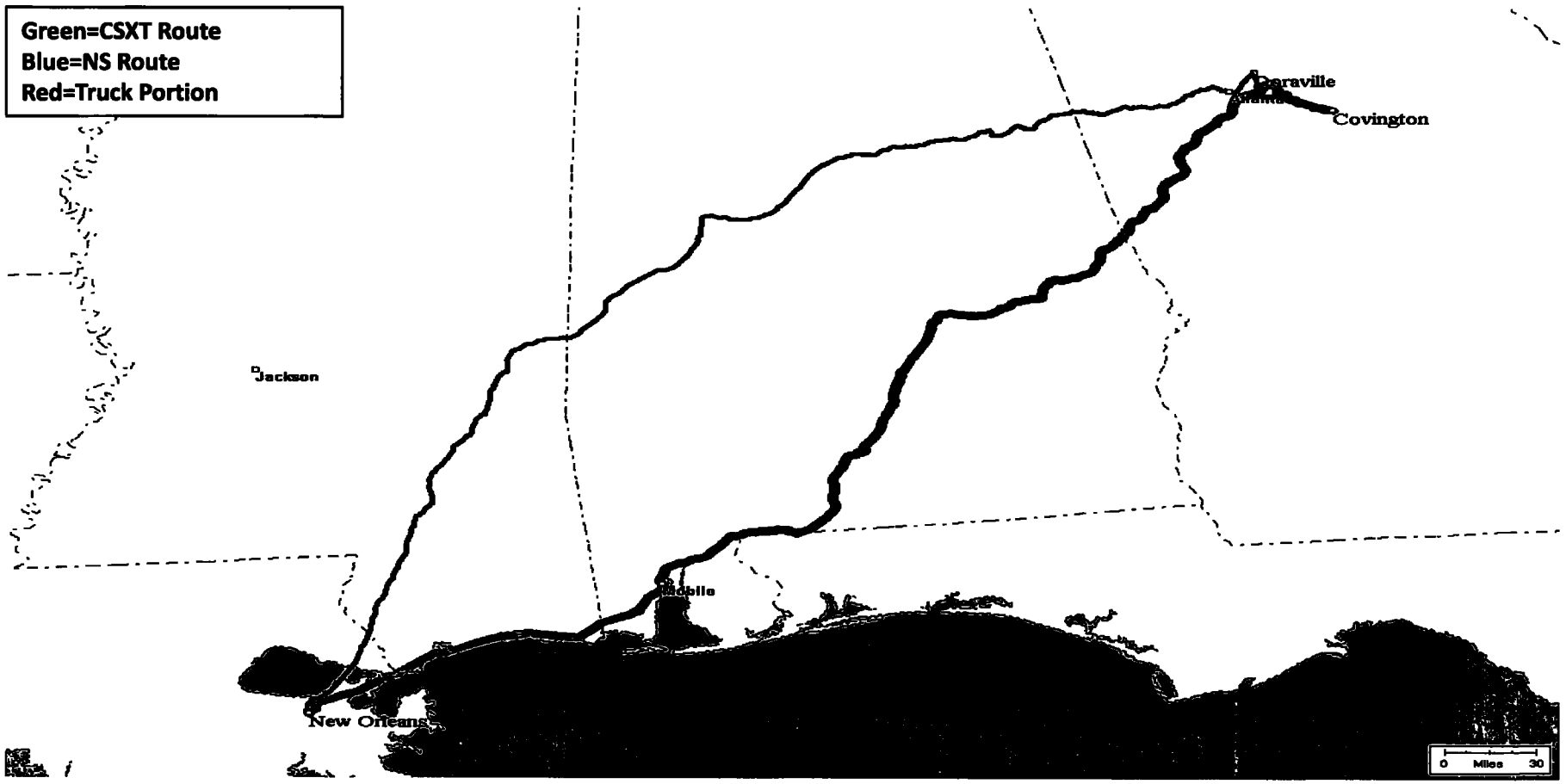
**TPI Movement Number 3: New Orleans, LA – Covington, GA**

CSXT Direct: 534 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Covington, GA (41 Mi)




**CSXT Tariff Rate**: $5,948

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 4: Chicago, IL – Clinton, IN**

CSXT Direct: 166 Mi

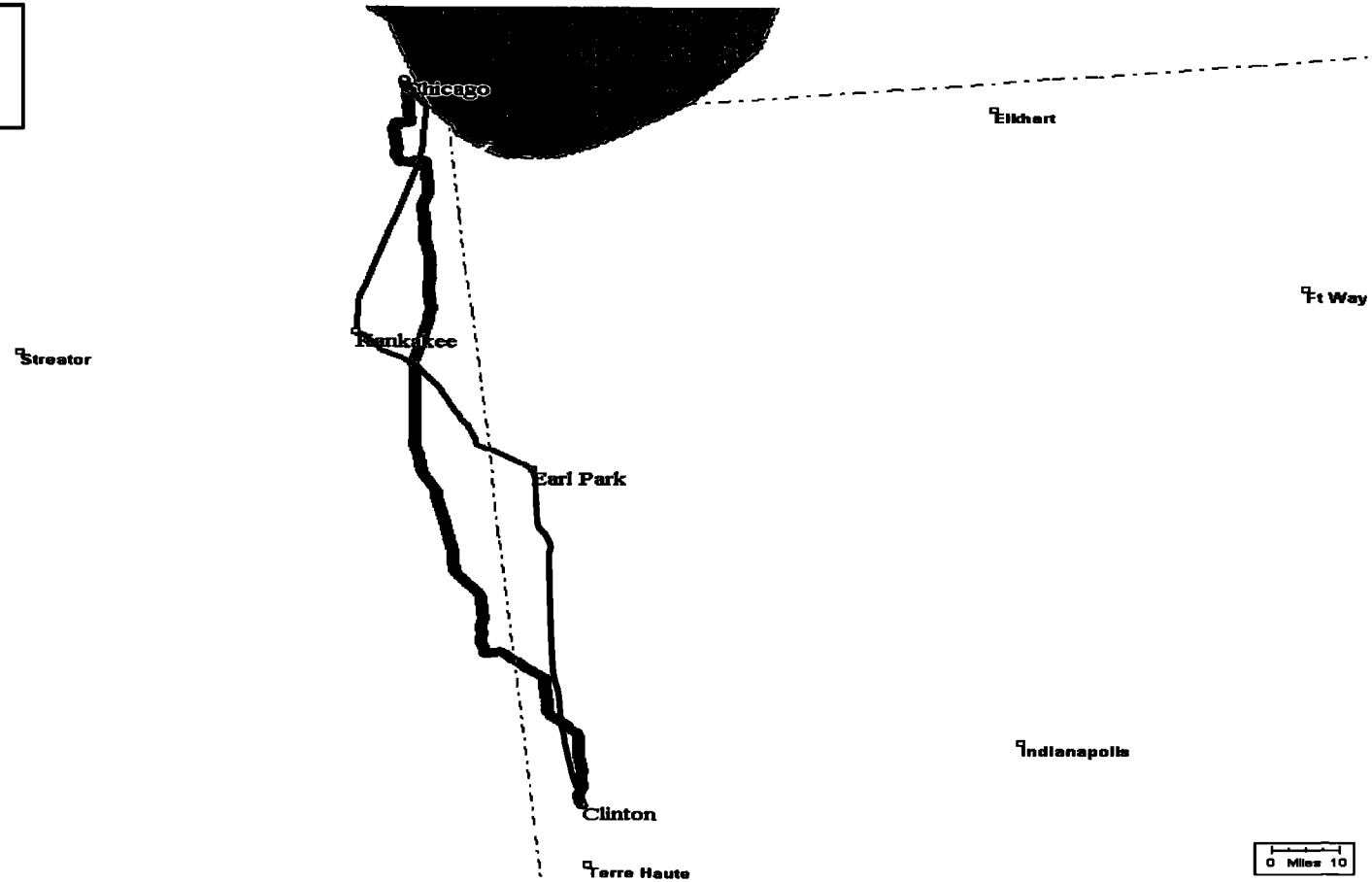
**Alternative:**

CN Rail: Chicago, IL – Kankakee, IL

KBSR Rail: Kankakee, IN – Earl Park, IN (Alt. Rail Miles: 97 Mi)

Truck: Earl Park, IN – Clinton, IN (75 Mi)

**Green=CSXT Route**
**Blue=CN/KBSR Route**
**Red=Truck Portion**




**CSXT Tariff Rate**: $3,716

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

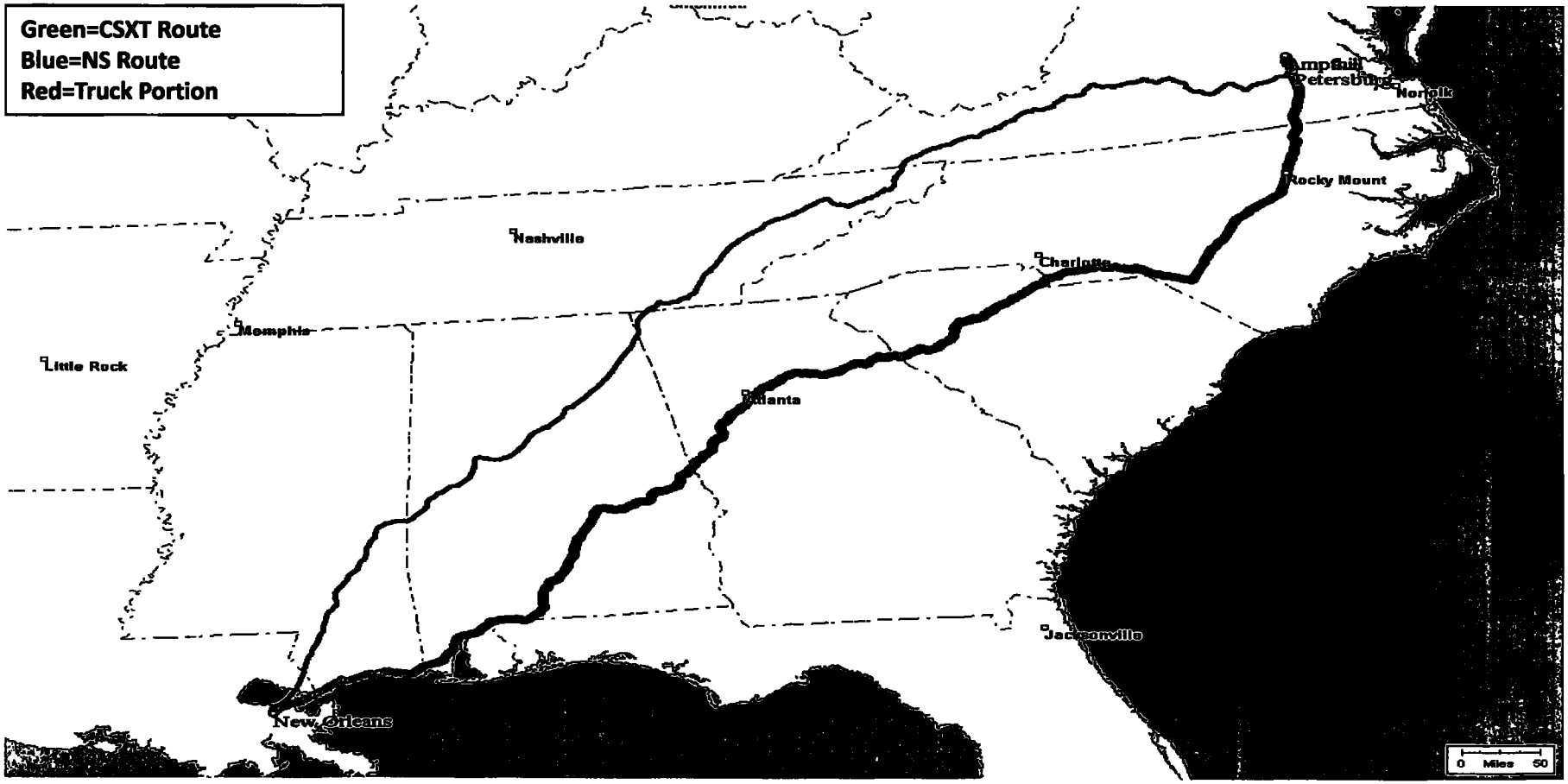
**TPI Movement Number 5: New Orleans, LA – Ampthill, VA**

CSXT Direct: 1,085 Mi

**Alternative:**

NS Rail: New Orleans, LA – Petersburg, VA (1,066 Mi)

Truck: Petersburg, VA – Ampthill, VA (18 Mi)




**CSXT Tariff Rate**: $9,101

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 6*: Memphis, TN – Bowling Green, KY**

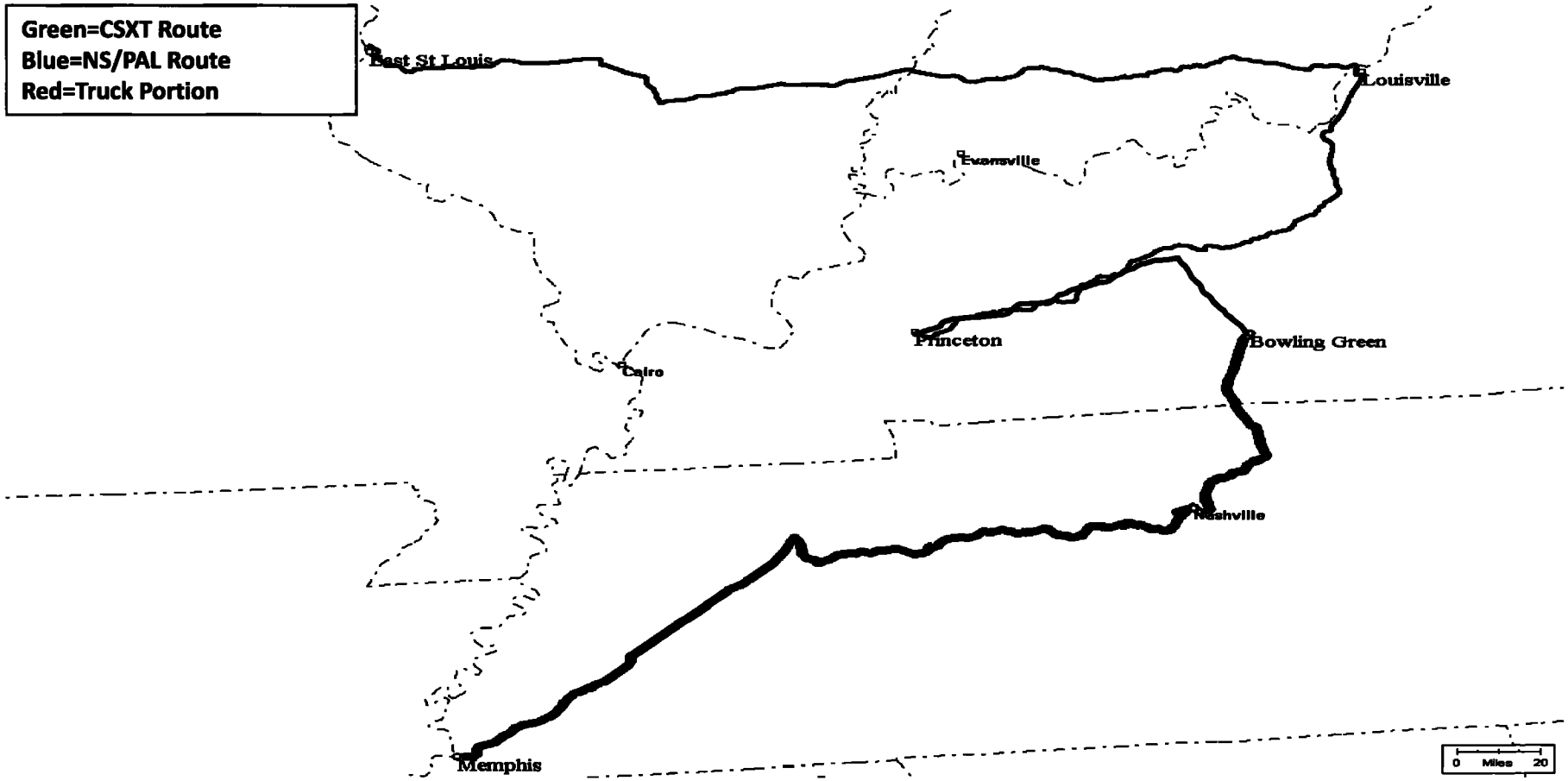
CSXT Direct: 304 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Louisville, KY

PAL Rail: Louisville, KY – Princeton, KY (Alt. Rail Miles: 279)

Truck: Princeton, KY – Bowling Green, KY (104 Mi)




**CSXT Tariff Rate:** $5,021

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Truck Competitive Option

**PUBLIC VERSION**

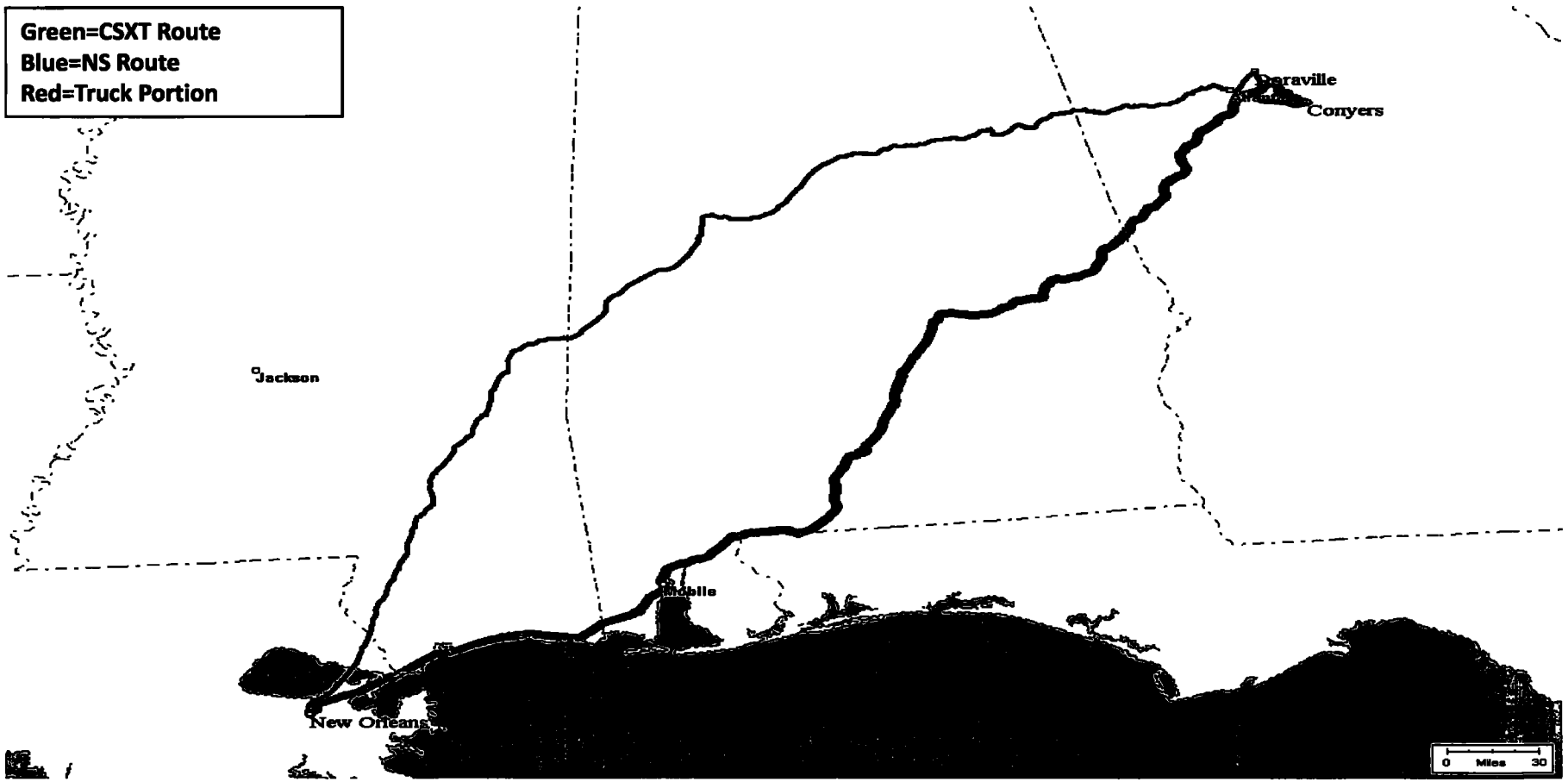
**TPI Movement Number 7: New Orleans, LA – Conyers, GA**

CSXT Direct: 523 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Conyers, GA (29 Mi)




**CSXT Tariff Rate:** $5,946

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

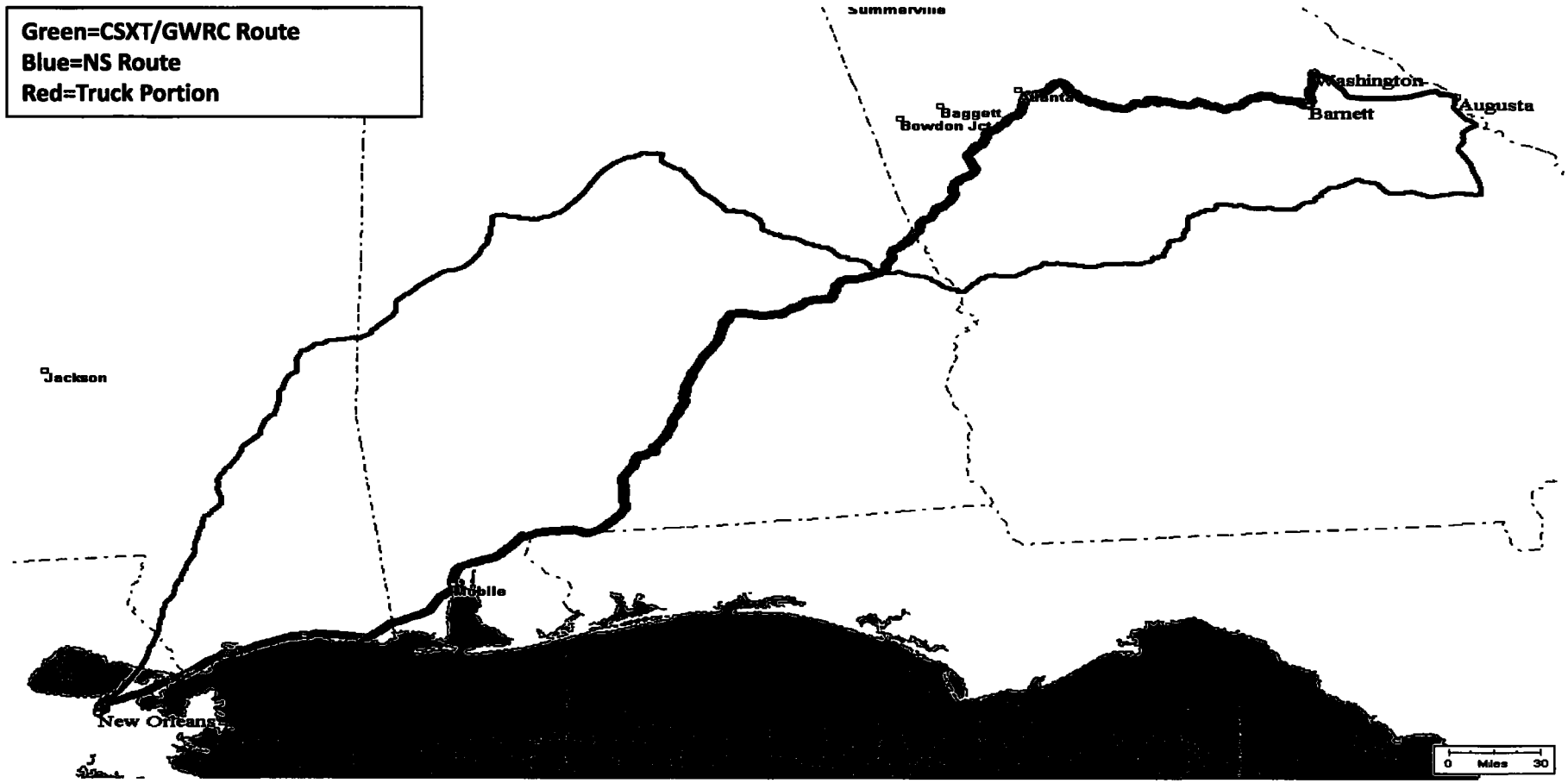
**TPI Movement Number 8: New Orleans, LA – Washington, GA**

New Orleans-CSXT-Barnett, GA-GWRC-Washington: 606 Mi

**Alternative:**

NS Rail: New Orleans, LA – Augusta, GA (767 Mi)

Truck: Augusta, GA – Washington, GA (53 Mi)




**CSXT Tariff Rate:** $7,932

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

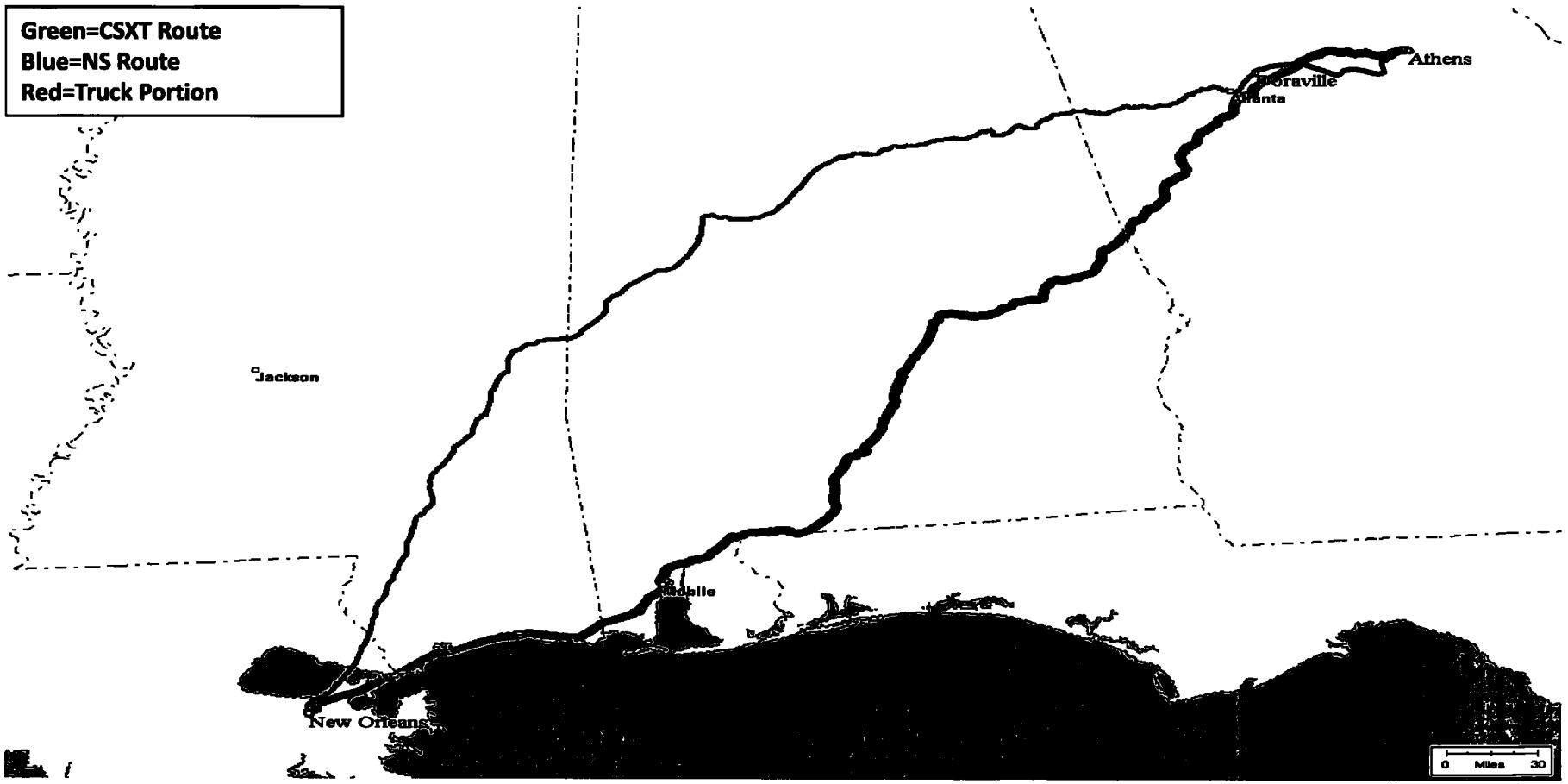
**TPI Movement Number 9: New Orleans, LA – Athens, GA**

CSXT Direct: 565 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Athens, GA (58 Mi)




**CSXT Tariff Rate**: $5,954

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

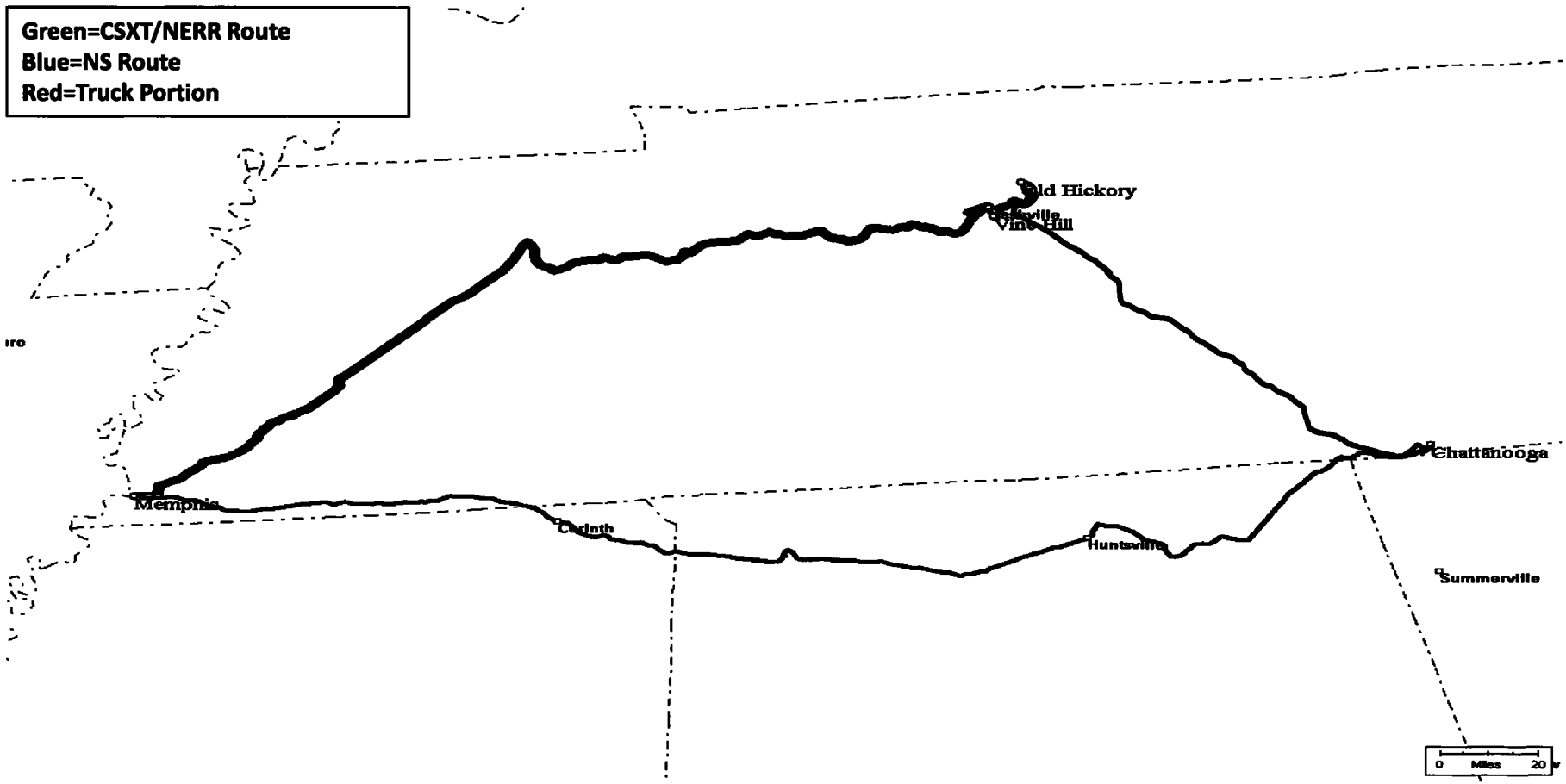
**TPI Movement Number 10: Memphis, TN – Old Hickory, TN**

Memphis-CSXT-Vine Hill, TN-NERR-Old Hickory: 235 Mi

**Alternative:**

NS Rail: Memphis, TN – Chattanooga, TN (309 Mi)

Truck: Chattanooga, TN – Old Hickory, TN (100 Mi)




**CSXT Tariff Rate**: $5,206

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

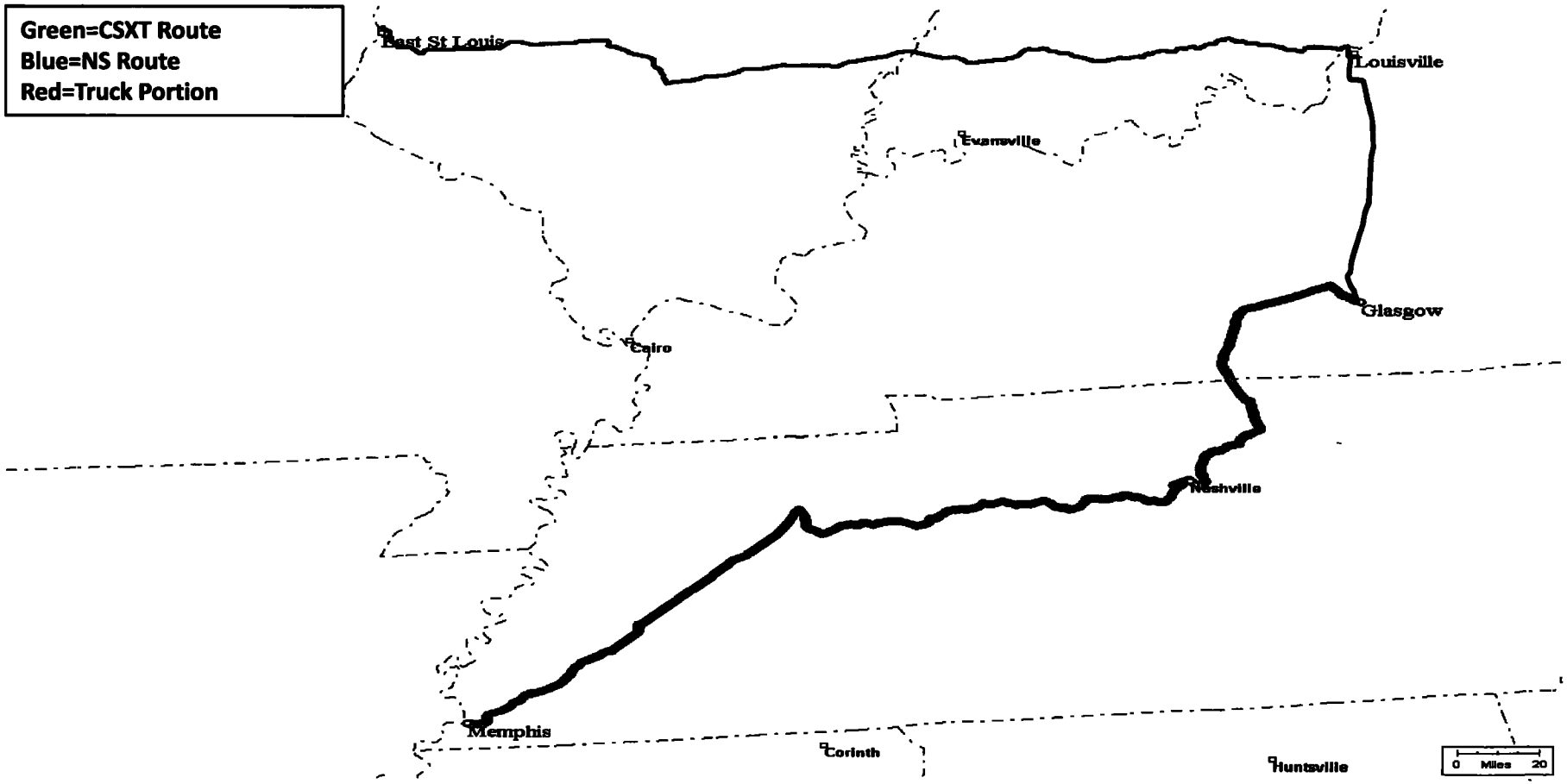
**TPI Movement Number 13: Memphis, TN – Glasgow, KY**

CSXT Direct: 337 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Louisville, KY (279 Mi)

Truck: Louisville, KY – Glasgow, KY (96 Mi)




**CSXT Tariff Rate**: $5,027

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

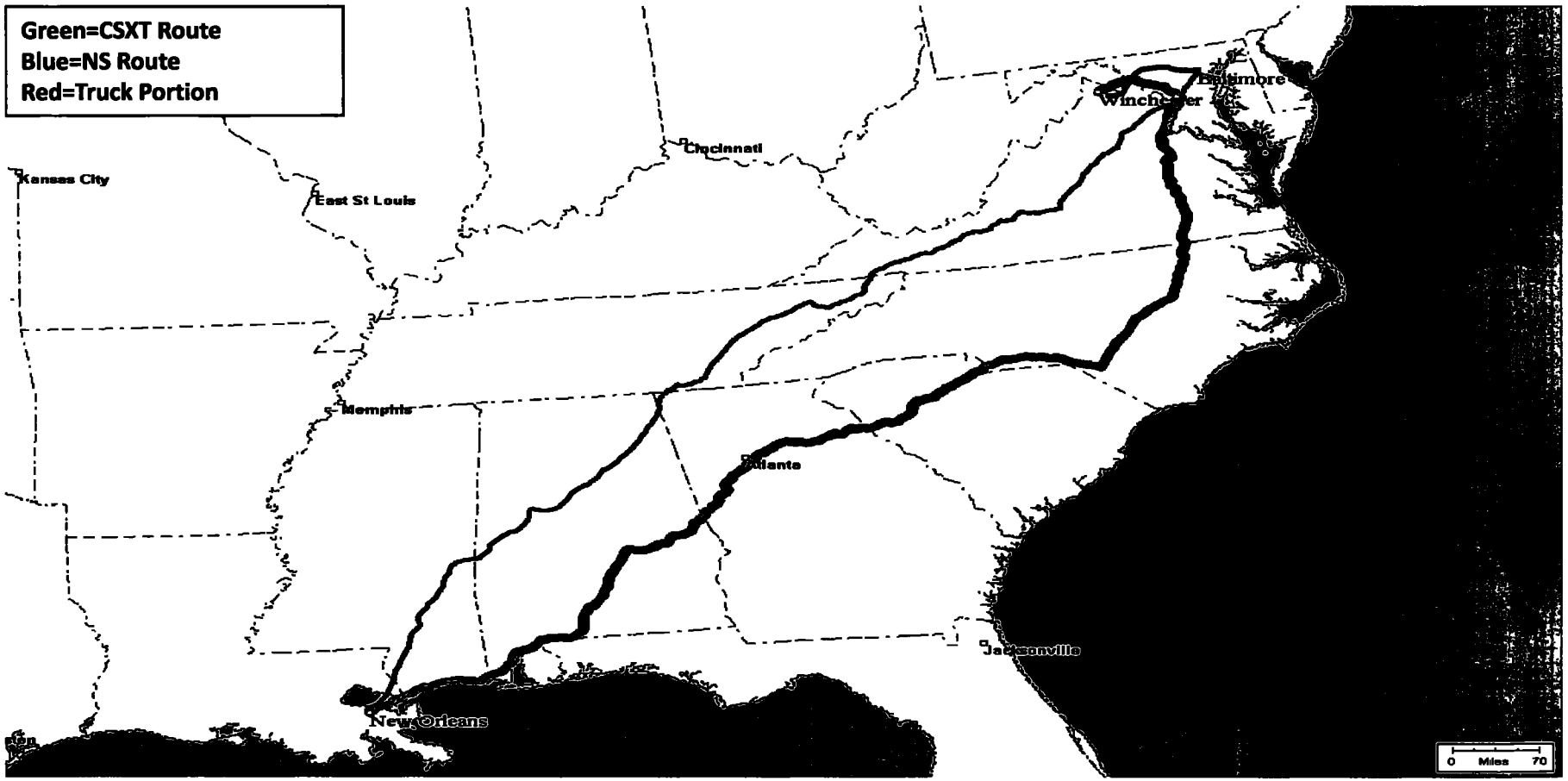
**TPI Movement Number 14: New Orleans, LA – Winchester, VA**

CSXT Direct: 1,293 Mi

**Alternative:**

NS Rail: New Orleans, LA – Baltimore, MD (1,157 Mi)

Truck: Baltimore, MD – Winchester, VA (99 Mi)




**CSXT Tariff Rate**: $9,292

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

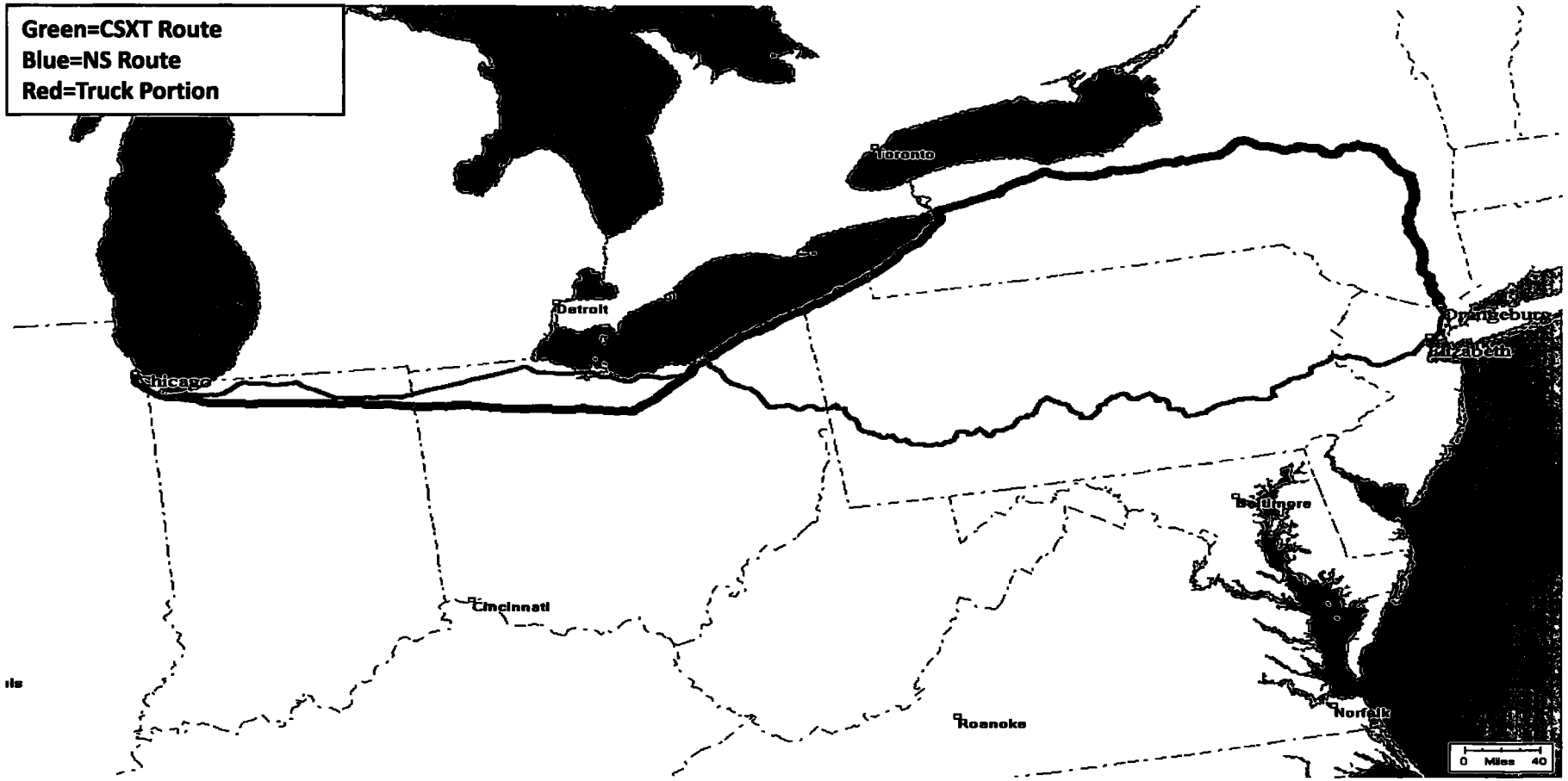
**TPI Movement Number 15: Chicago, IL – Orangeburg, NY**

CSXT Direct: 927 Mi

**Alternative:**

NS Rail: Chicago, IL – Elizabeth, NJ (936 Mi)

Truck: Elizabeth, NJ – Orangeburg, NY (37 Mi)




**CSXT Tariff Rate:** $7,532

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 18*: Chicago, IL – Cincinnati, OH**

CSXT Direct: 319 Mi

**Alternative:**

NS Rail: Chicago, IL – Cincinnati, OH (379 Mi)

Truck: Cincinnati, OH – Cincinnati, OH (5 Mi)

**Green=CSXT Route**
**Blue=NS Route**


**CSXT Tariff Rate**: $4,564

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Rail Competitive Option

**PUBLIC VERSION**

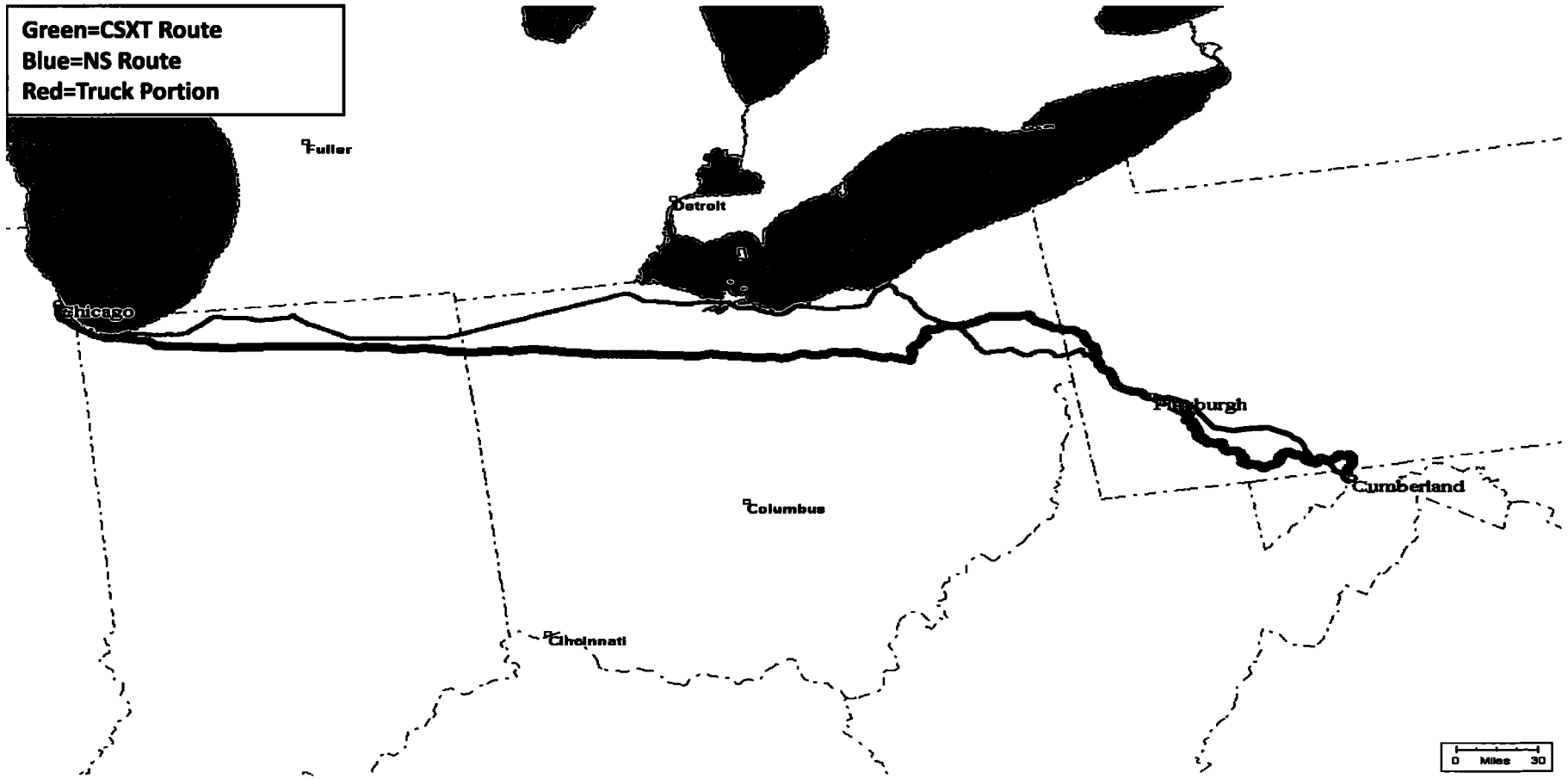
**TPI Movement Number 20: Chicago, IL – Cumberland, MD**

CSXT Direct: 616 Mi

**Alternative:**

NS Rail: Chicago, IL – Pittsburgh, PA (481 Mi)

Truck: Pittsburgh, PA – Cumberland, MD (113 Mi)




**CSXT Tariff Rate**: $6,485

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

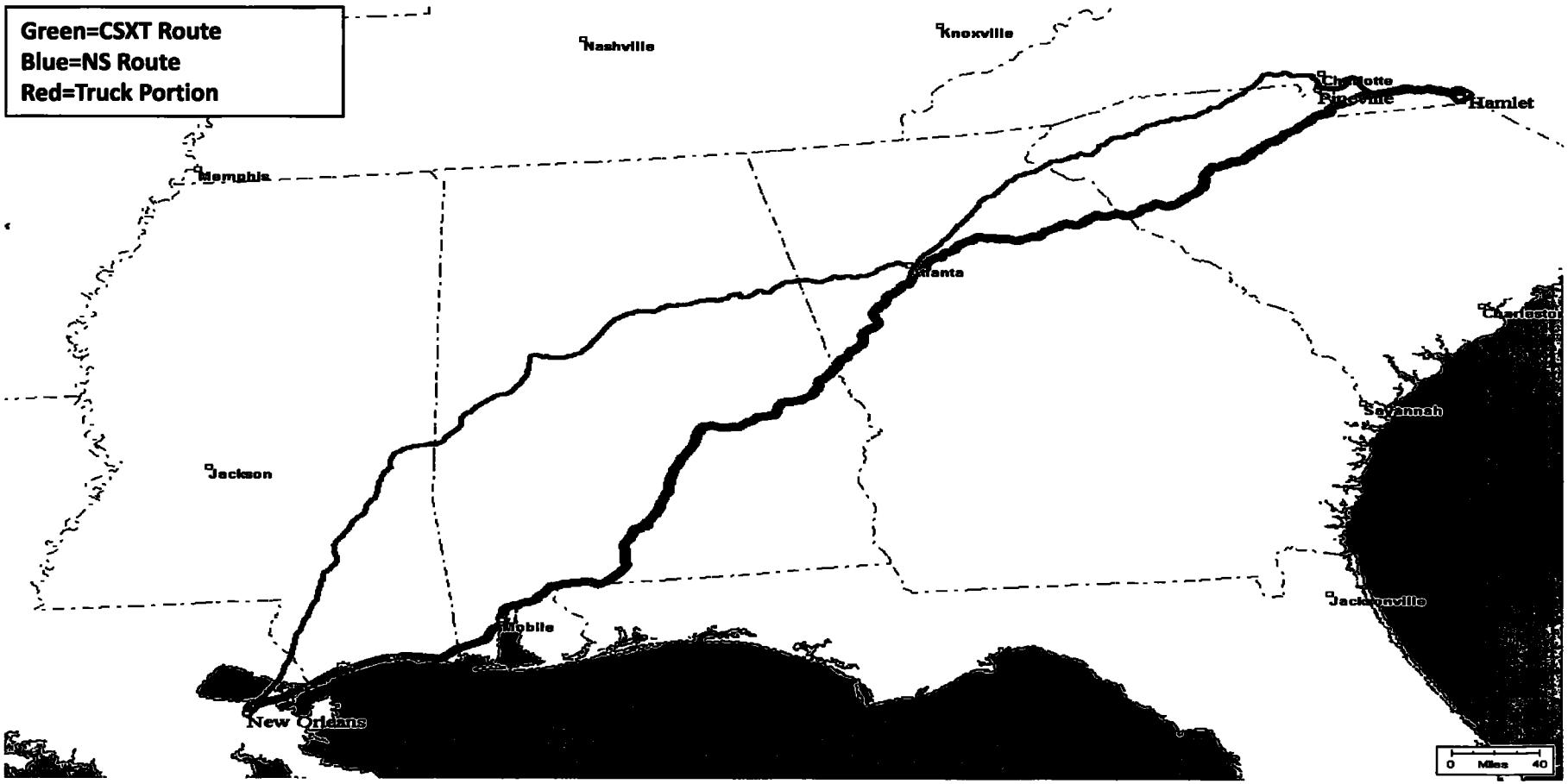
**TPI Movement Number 21: New Orleans, LA – Hamlet, NC**

CSXT Direct: 816 Mi

**Alternative:**

NS Rail: New Orleans, LA – Pineville, NC (783 Mi)

Truck: Pineville, NC – Hamlet, NC (80 Mi)




**CSXT Tariff Rate**: $6,721

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

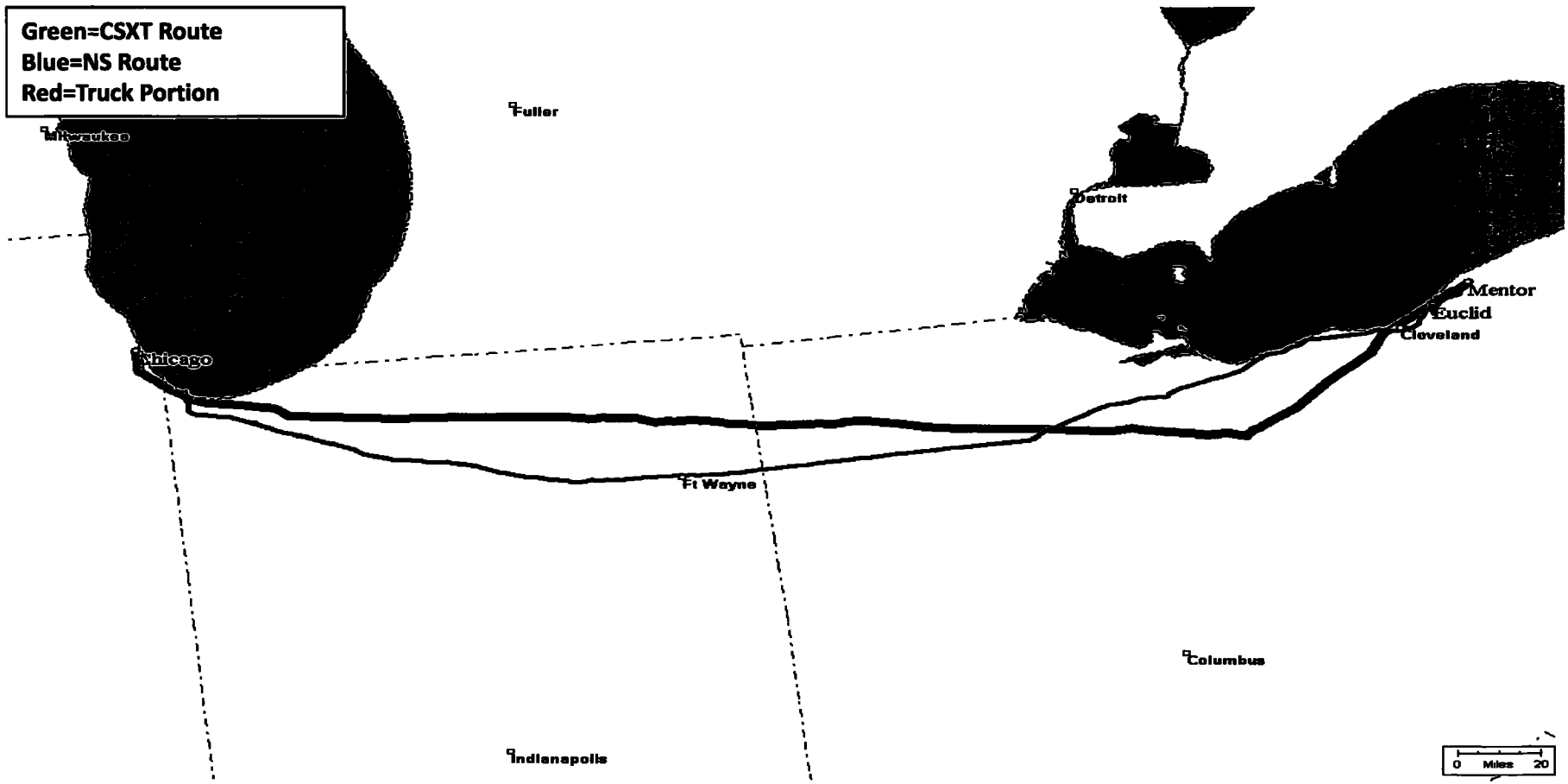
**TPI Movement Number 22: Chicago, IL – Mentor, OH**

CSXT Direct: 358 Mi

**Alternative:**

NS Rail: Chicago, IL – Euclid, OH (352 Mi)

Truck: Euclid, OH – Mentor, OH (14 Mi)




**CSXT Tariff Rate**: $4,915

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

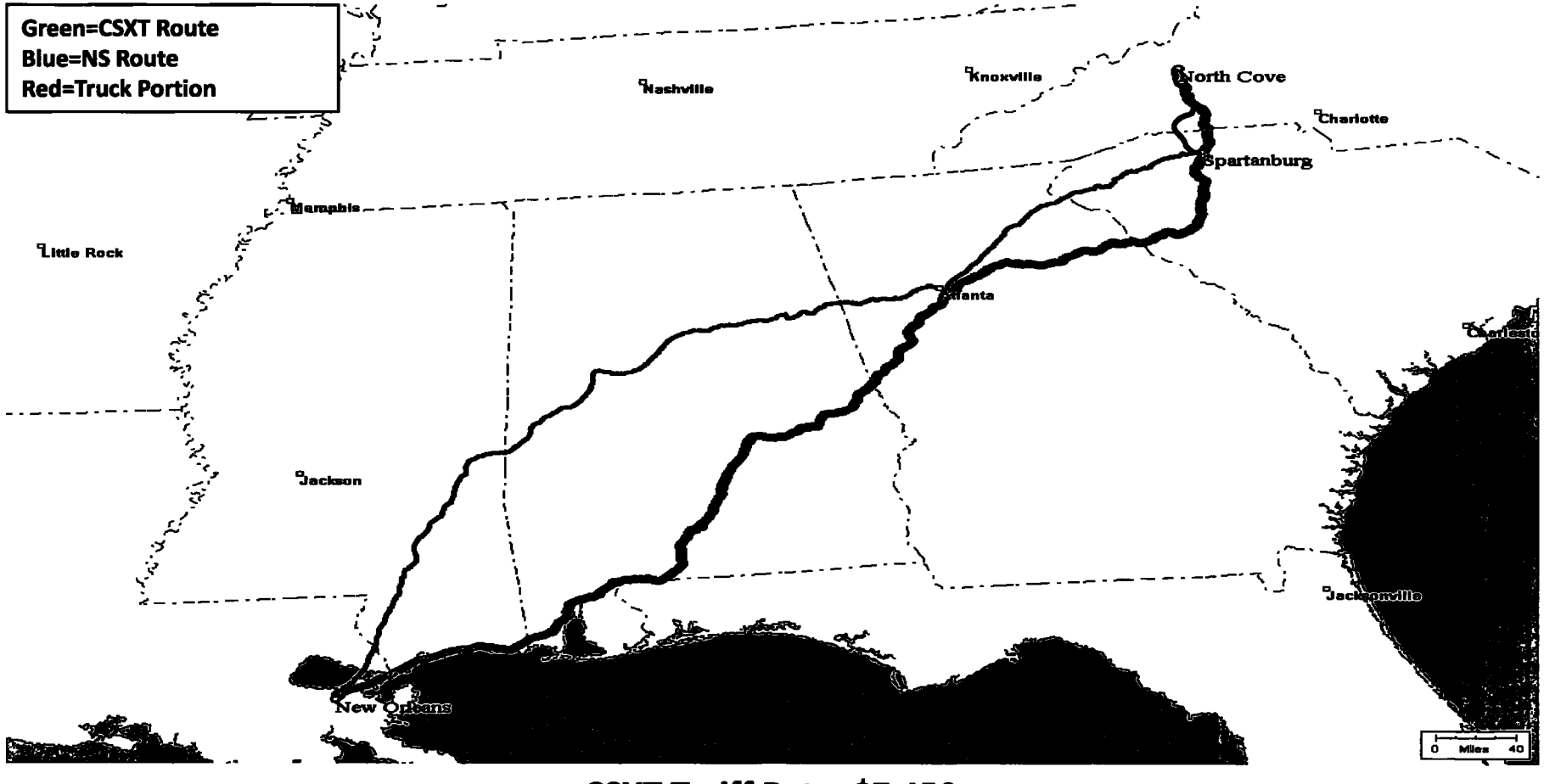
**TPI Movement Number 23: New Orleans, LA – North Cove, NC**

CSXT Direct: 779 Mi

**Alternative:**

NS Rail: New Orleans, LA – Spartanburg, SC (700 Mi)

Truck: Spartanburg, SC – North Cove, NC (78 Mi)




**CSXT Tariff Rate**: $7,450

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

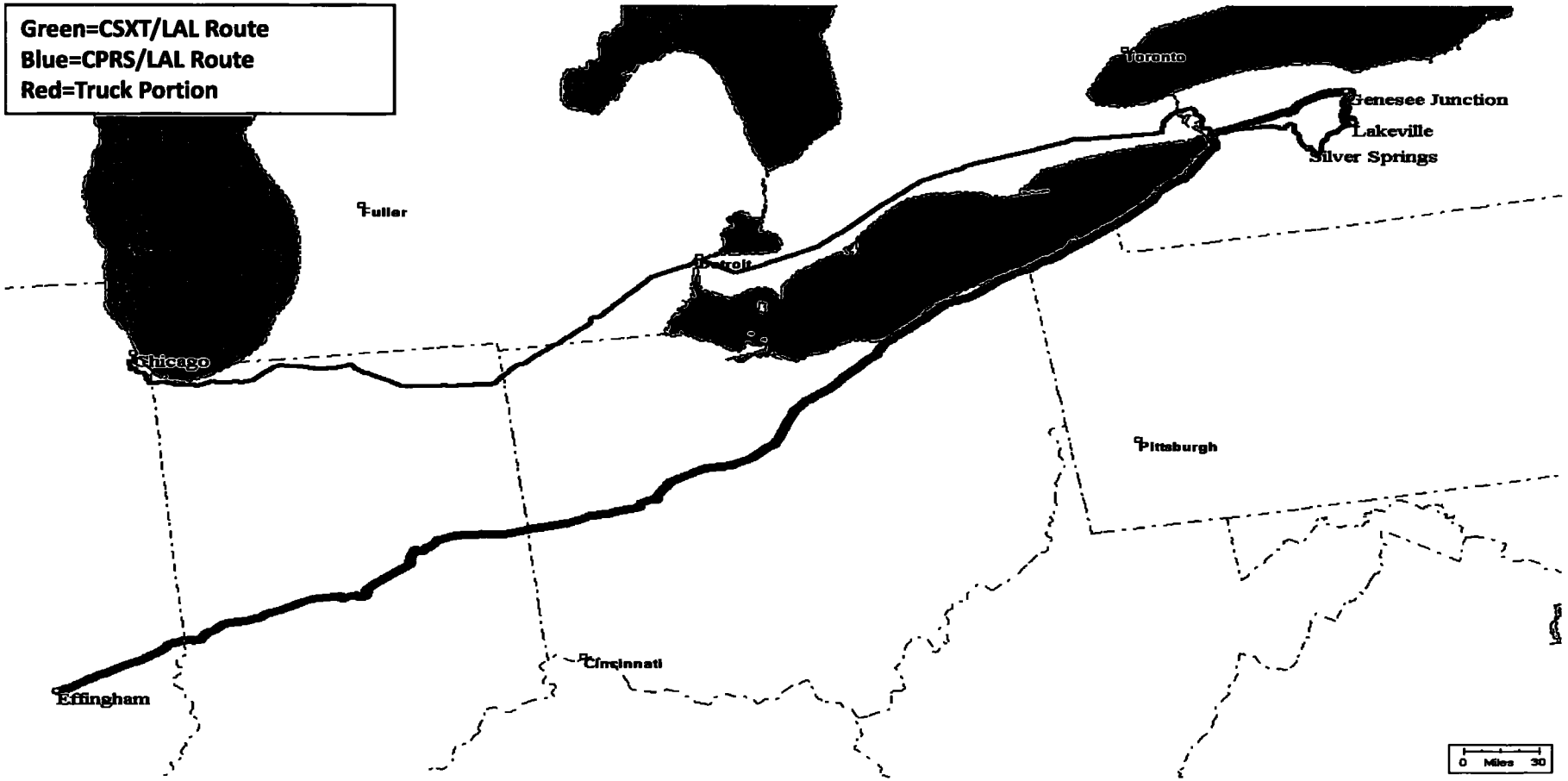
**TPI Movement Number 24: Effingham, IL – Lakeville, NY**

Effingham-CSXT-Genesee JCT, NY-LAL-Lakeville: 668 Mi

**Alternative:**

CPRS Rail: Chicago, IL – Silver Springs, NY (LAL) (664 Mi)

Truck: Silver Springs, NY – Lakeville, NY (5 Mi)




**CSXT Tariff Rate:** $8,007

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 25*: Memphis, TN – Clarksville, TN**

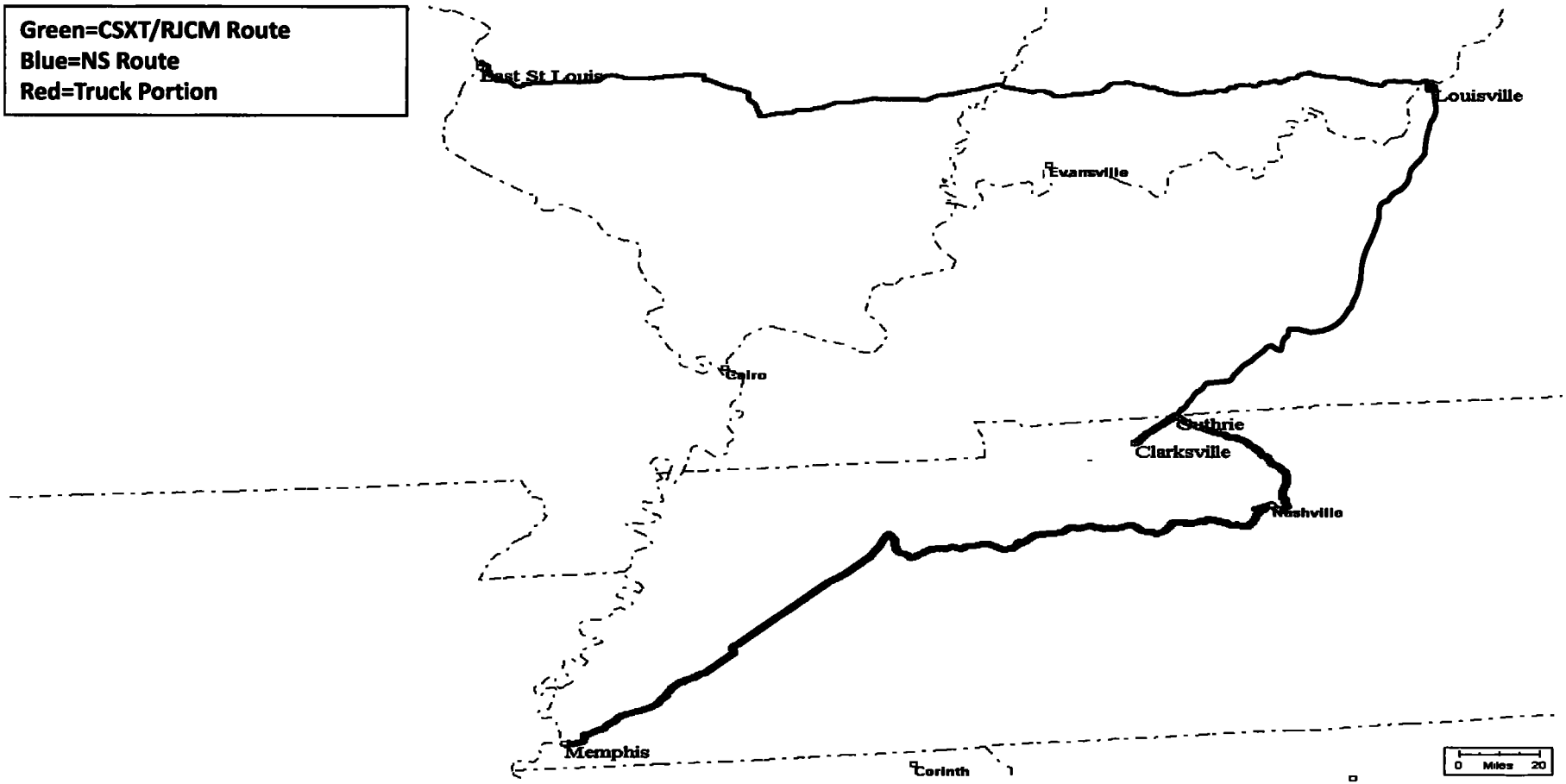
Memphis-CSXT-Guthrie, KY-RJCM-Clarksville: 280 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Louisville, KY (280 Mi)

Truck: Louisville, KY – Clarksville, TN (181 Mi)

**Green=CSXT/RJCM Route**
**Blue=NS Route**
**Red=Truck Portion**




**CSXT Tariff Rate**: $6,119

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Truck Competitive Option

**PUBLIC VERSION**

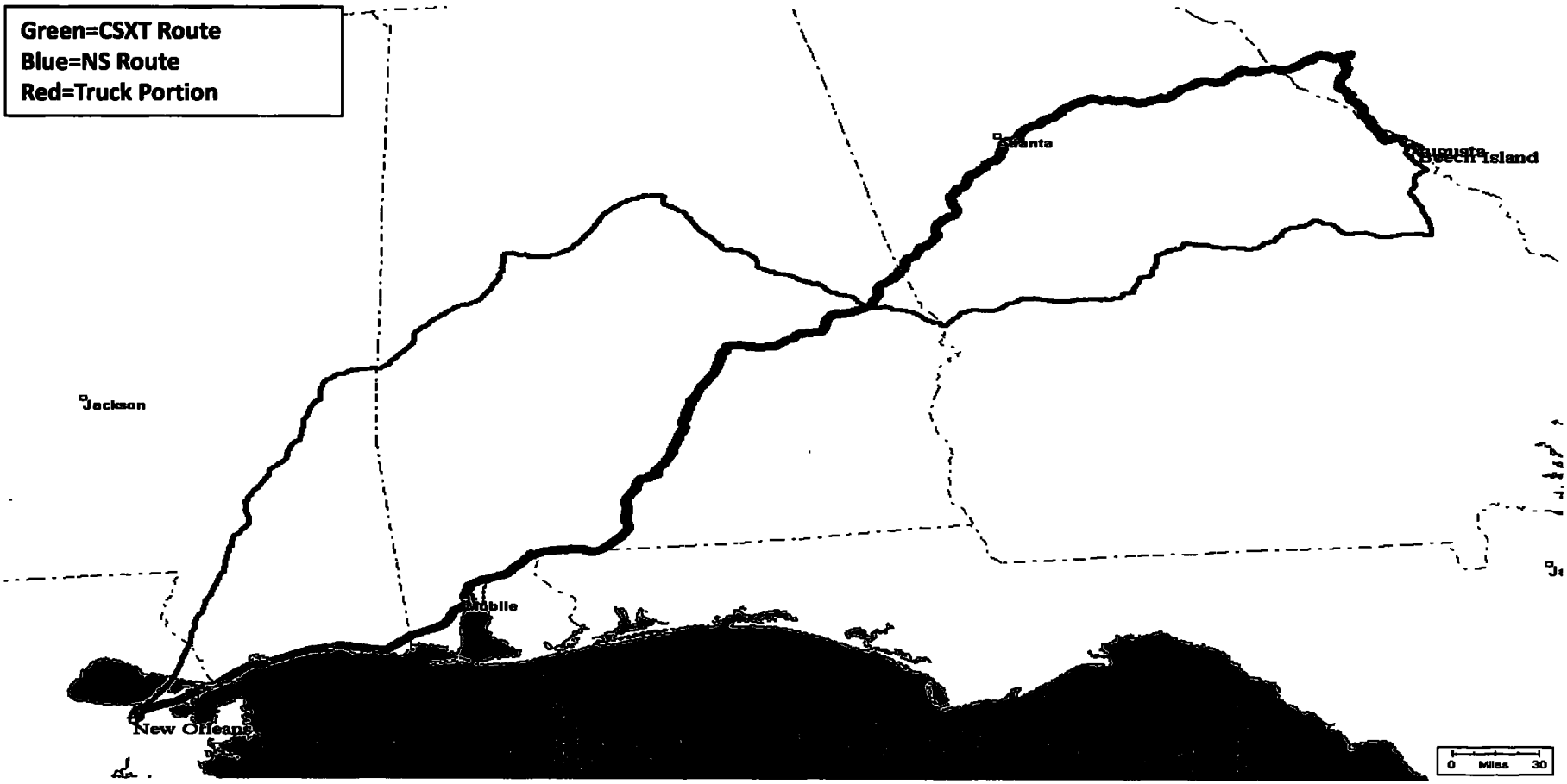
**TPI Movement Number 26: New Orleans, LA – Beech Island, SC**

CSXT Direct: 669 Mi

**Alternative:**

NS Rail: New Orleans, LA – Augusta, GA (767 Mi)

Truck: Augusta, GA – Beech Island, SC (9 Mi)




**CSXT Tariff Rate**: $7,006

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

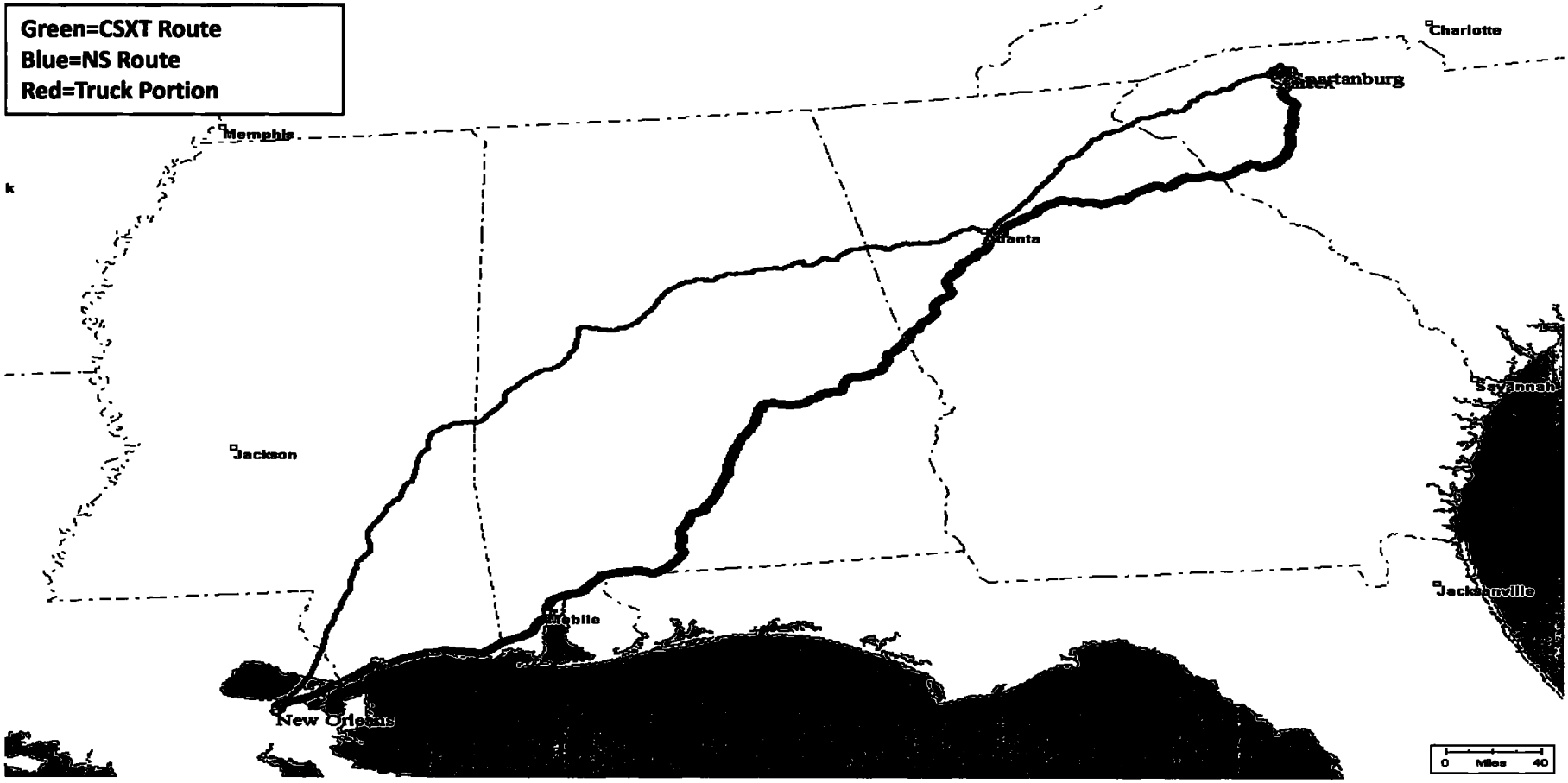
**TPI Movement Number 27: New Orleans, LA – Startex, SC**

CSXT Direct: 719 Mi

**Alternative:**

NS Rail: New Orleans, LA –Spartanburg, SC (700 Mi)

Truck: Spartanburg, SC – Startex, SC (10 Mi)




**CSXT Tariff Rate:** $7,224

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

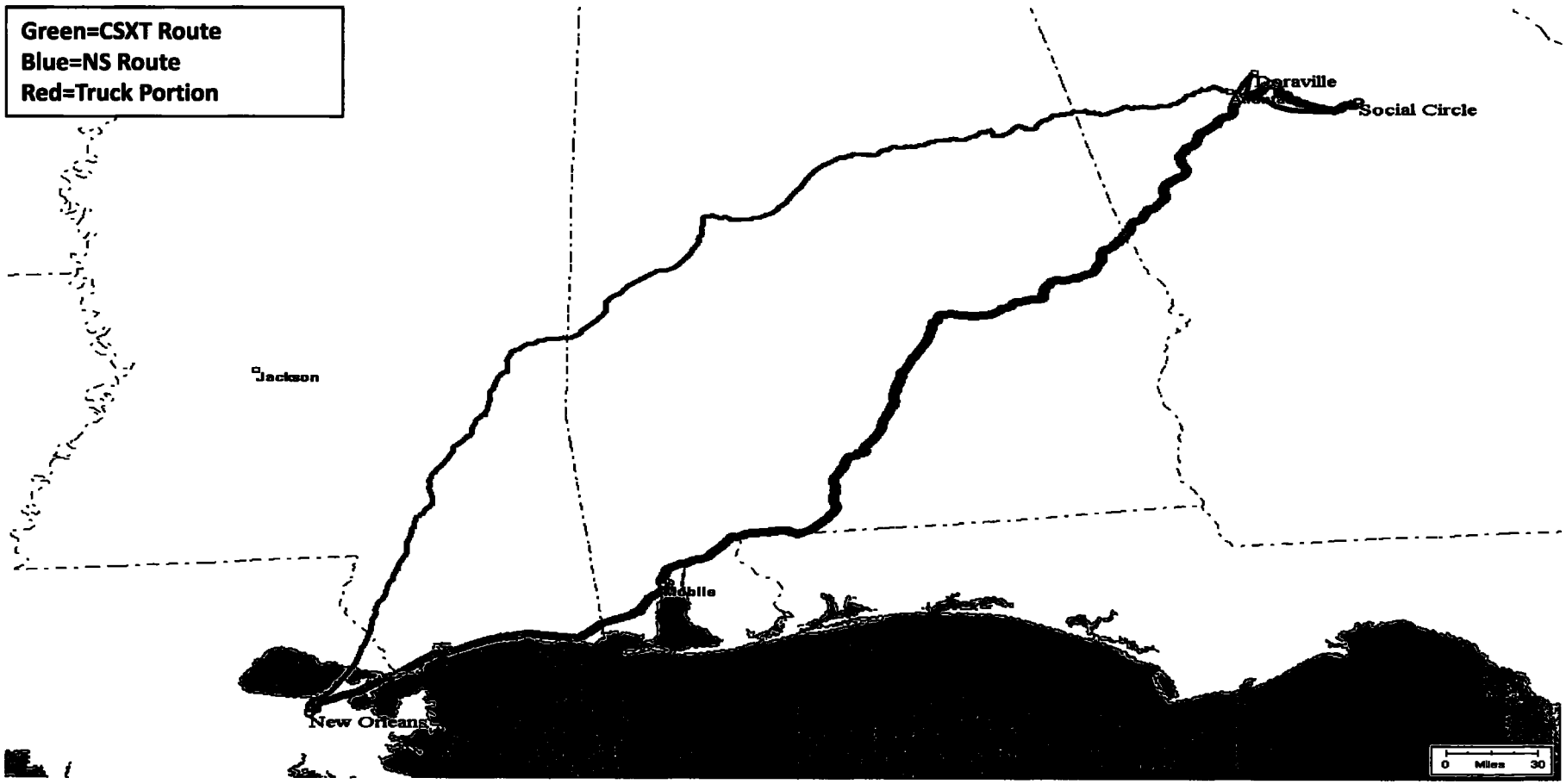
**TPI Movement Number 28: New Orleans, LA – Social Circle, GA**

CSXT Direct: 544 Mi

**Alternative:**

NS Rail: New Orleans, LA –Doraville, GA (530 Mi)

Truck: Doraville, GA – Social Circle, GA (50 Mi)




**CSXT Tariff Rate**: $5,950

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 33: Chicago, IL – Terre Haute, IN**

CSXT Direct: 181 Mi

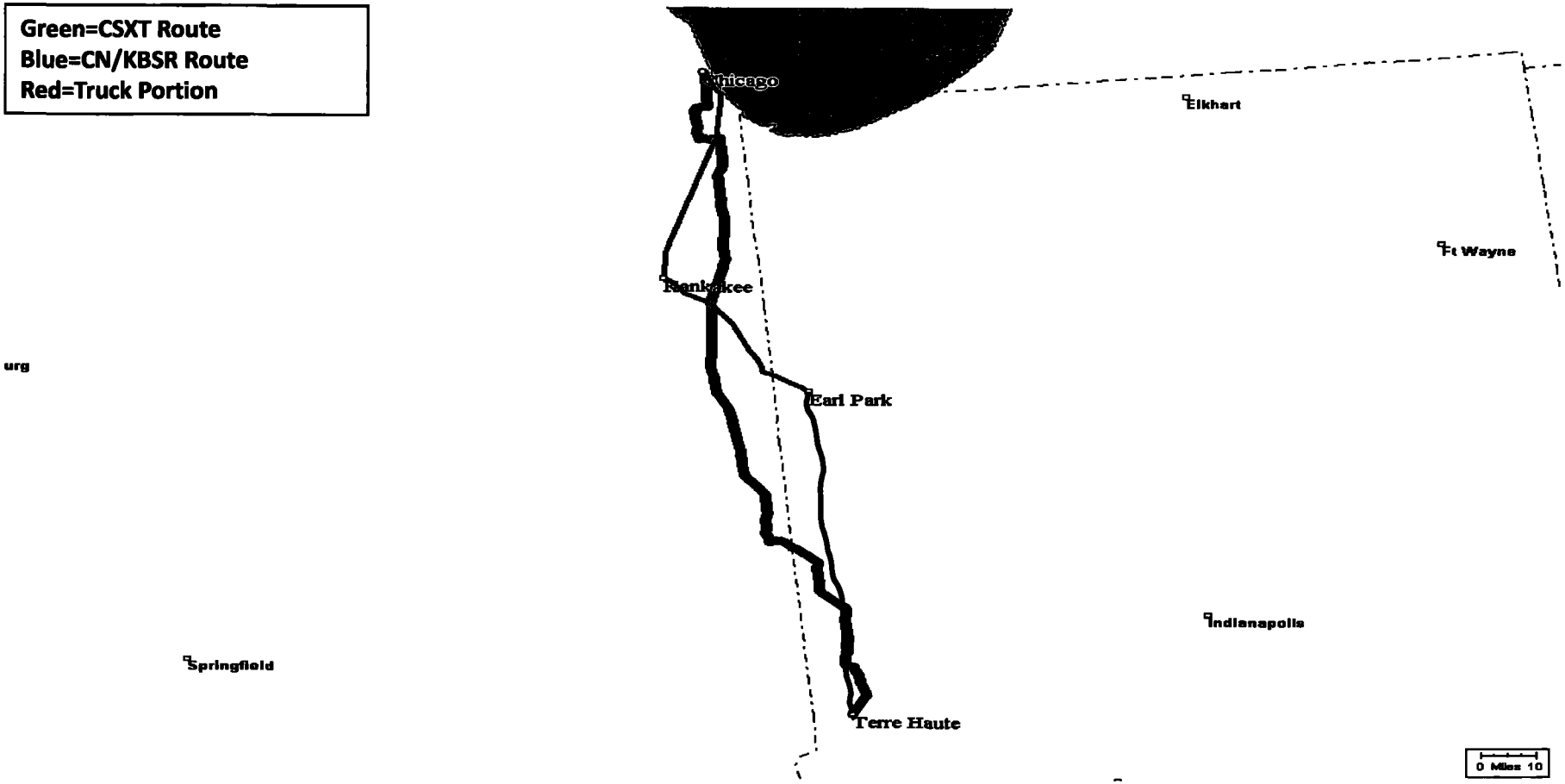
**Alternative:**

CN Rail: Chicago, IL – Kankakee, IL

KBSR Rail: Kankakee, IL – Earl Park, IL (Alt. Rail Miles: 97 Mi)

Truck: Earl Park, IL – Terre Haute, IN (89 Mi)

**Green=CSXT Route**
**Blue=CN/KBSR Route**
**Red=Truck Portion**




**CSXT Tariff Rate**: $3,718

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

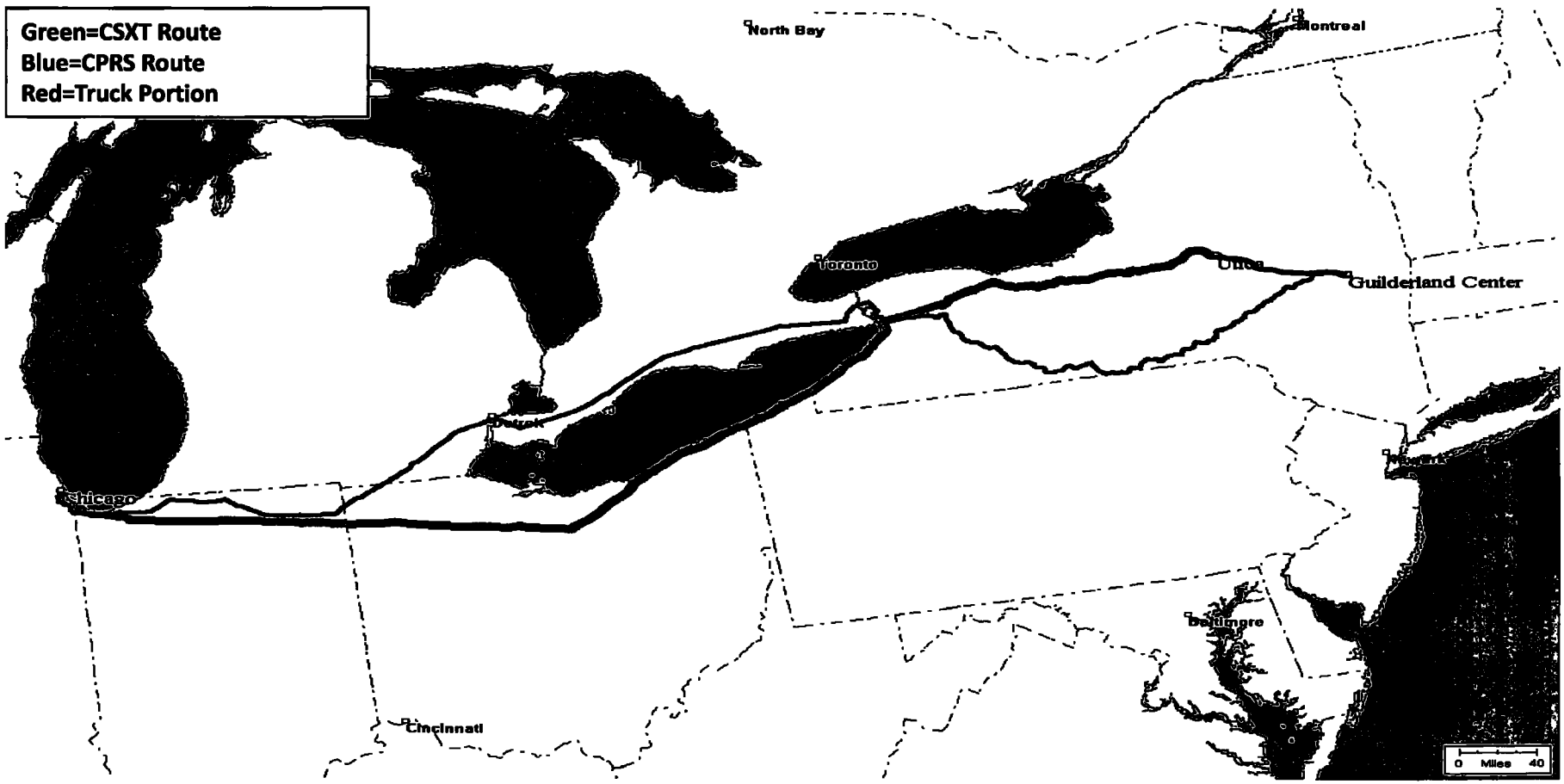
**TPI Movement Number 34: Chicago, IL – Utica, NY**

CSXT Direct: 717 Mi

**Alternative:**

CPRS Rail: Chicago, IL – Guilderland Center, NY (883 Mi)

Truck: Guilderland Center, NY – Utica, NY (88 Mi)




**CSXT Tariff Rate:** $7,751

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

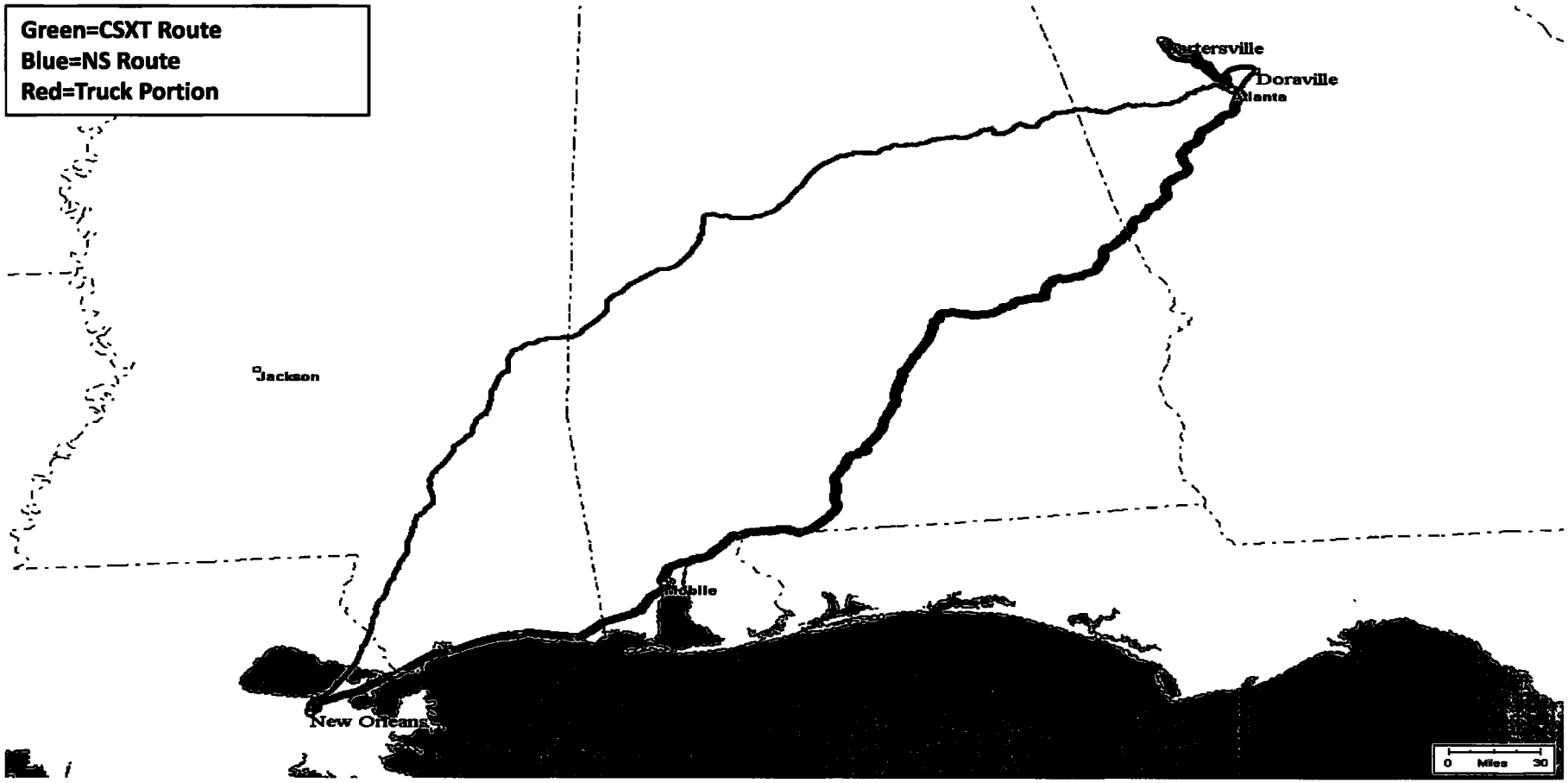
**TPI Movement Number 35: New Orleans, LA – Cartersville, GA**

CSXT Direct: 542 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Cartersville, GA (45 Mi)




**CSXT Tariff Rate:** $5,949

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

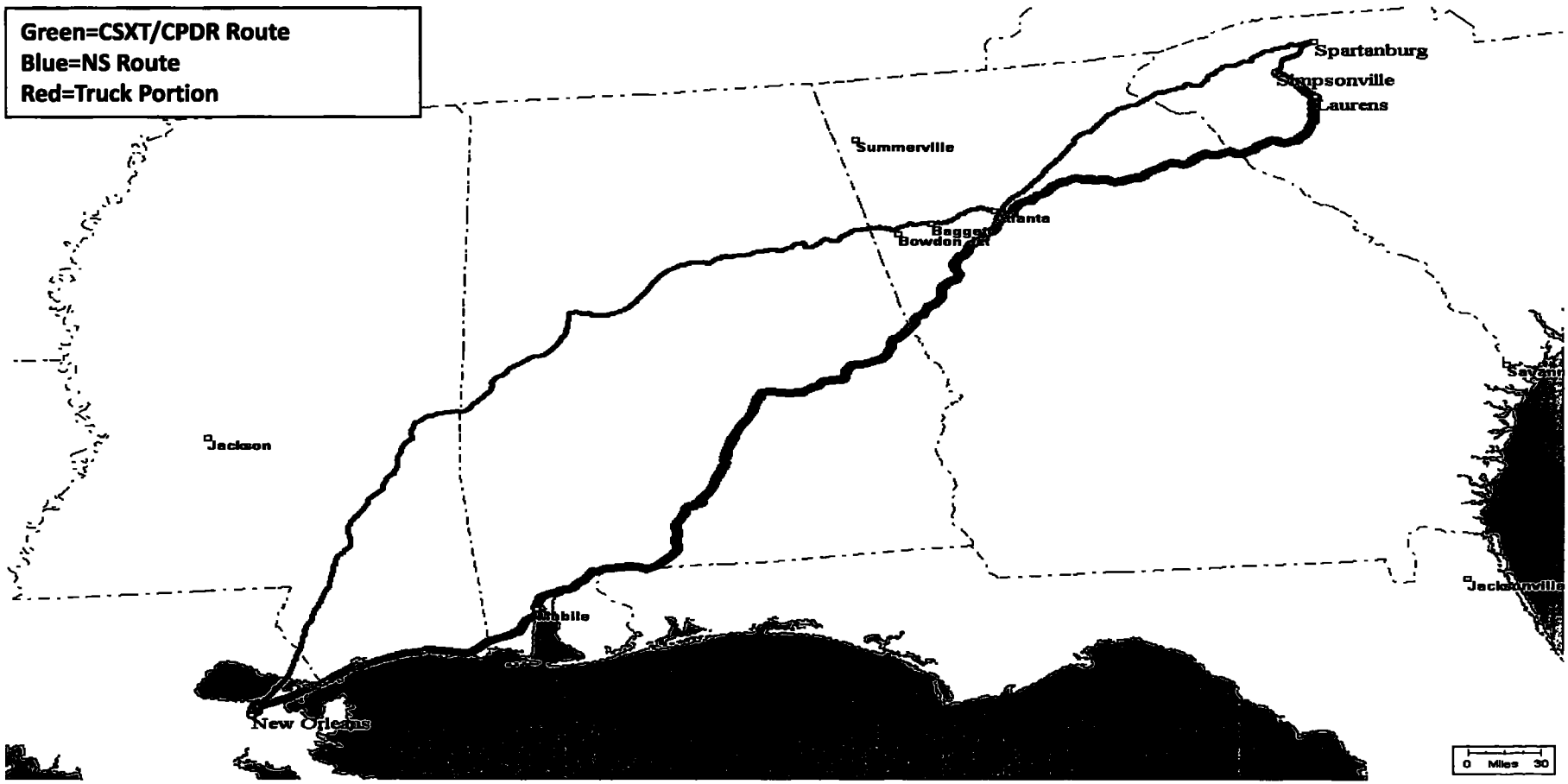
**TPI Movement Number 37: New Orleans, LA – Simpsonville, SC**

New Orleans-CSXT-Laurens, SC-CPDR-Simpsonville: 671 Mi

**Alternative:**

NS Rail: New Orleans, LA – Spartanburg, SC (700 Mi)

Truck: Spartanburg, SC – Simpsonville, SC (93 Mi)




**CSXT Tariff Rate**: $8,069

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

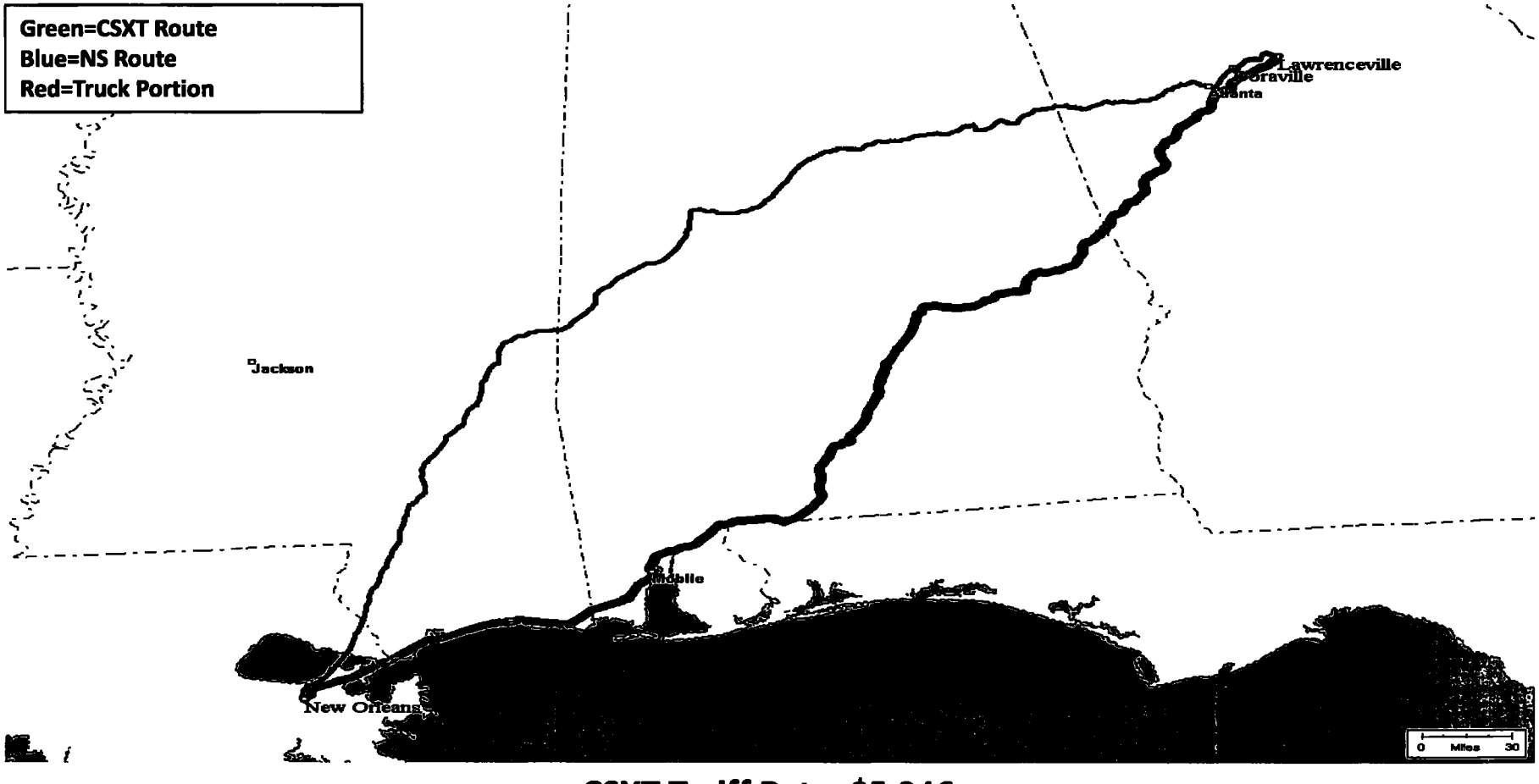
**TPI Movement Number 39: New Orleans, LA – Lawrenceville, GA**

CSXT Direct: 526 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Lawrenceville, GA (20 Mi)




**CSXT Tariff Rate**: $5,946

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

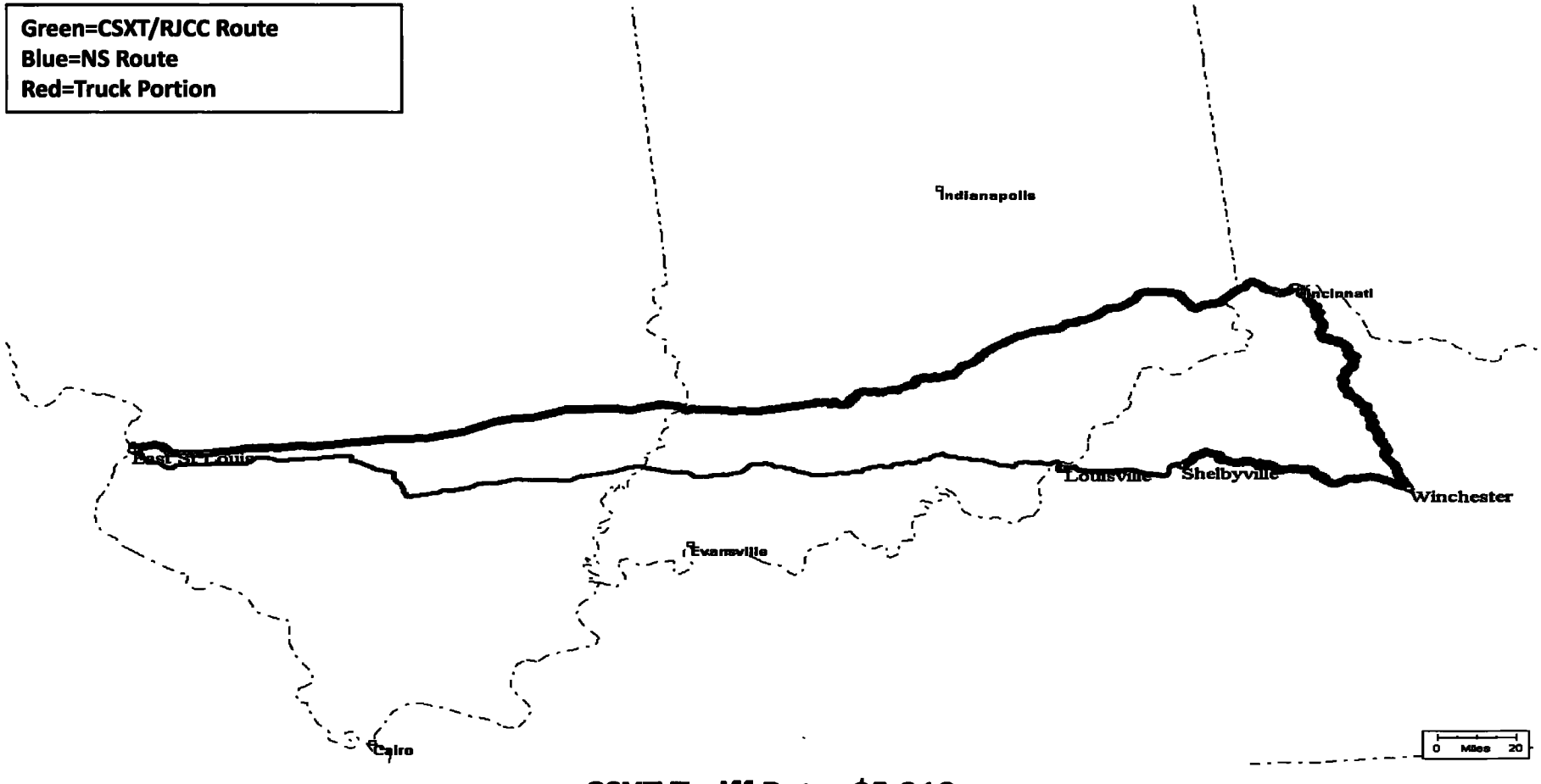
**TPI Movement Number 41: East St. Louis, IL – Shelbyville, KY**

East St. Louis-CSXT-Winchester, KY-RJCC-Shelbyville: 380 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Louisville, KY (280 Mi)

Truck: Louisville, KY – Shelbyville, KY (33 Mi)




**CSXT Tariff Rate:** $5,213

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

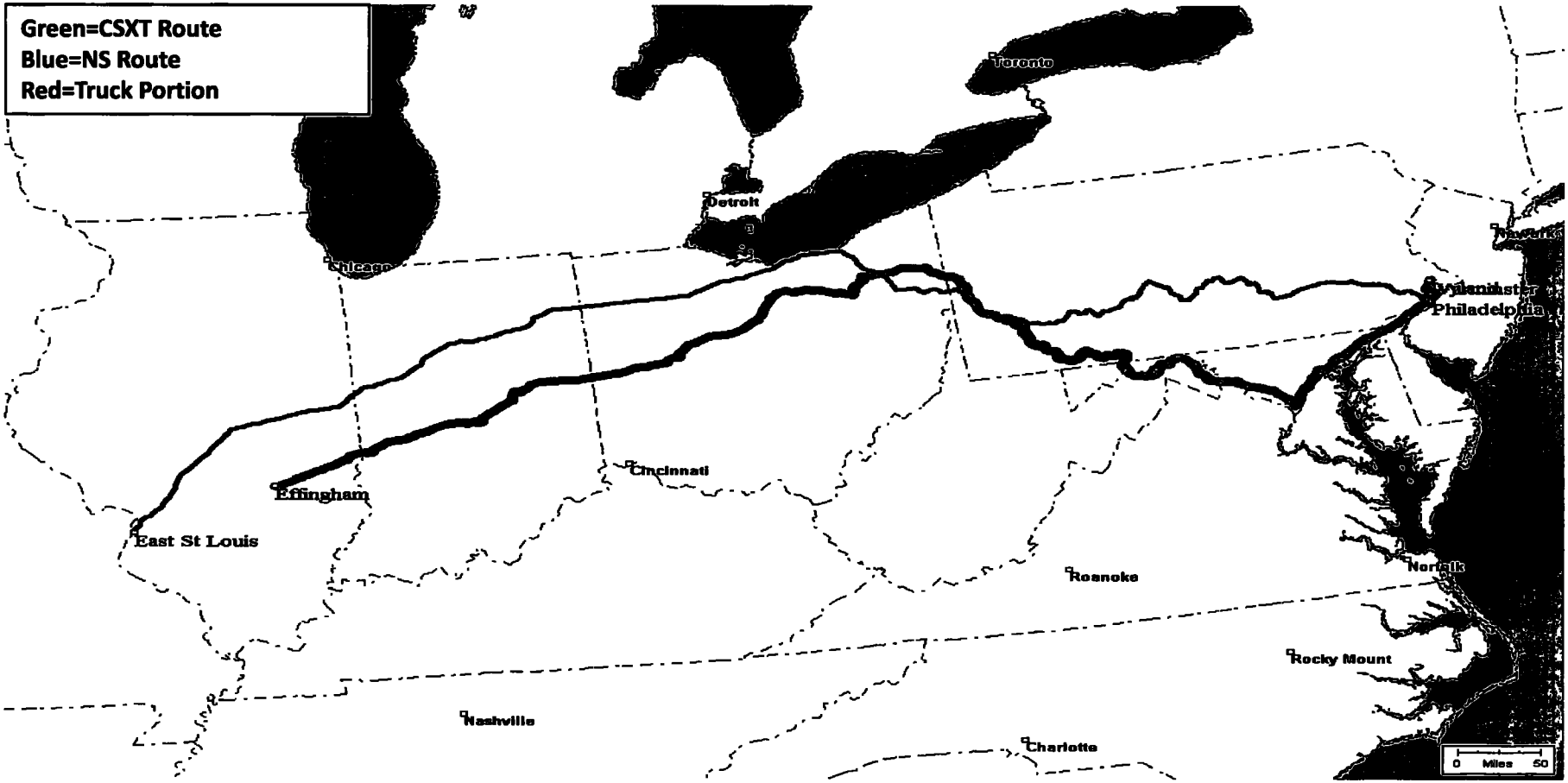
**TPI Movement Number 42: Effingham, IL – Warminster, PA**

Effingham-CSXT-Ivyland, PA-NHRR-Warminster: 997 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Philadelphia, PA (1029 Mi)

Truck: Philadelphia, PA – Warminster, PA (29 Mi)




**CSXT Tariff Rate**: $9,548

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

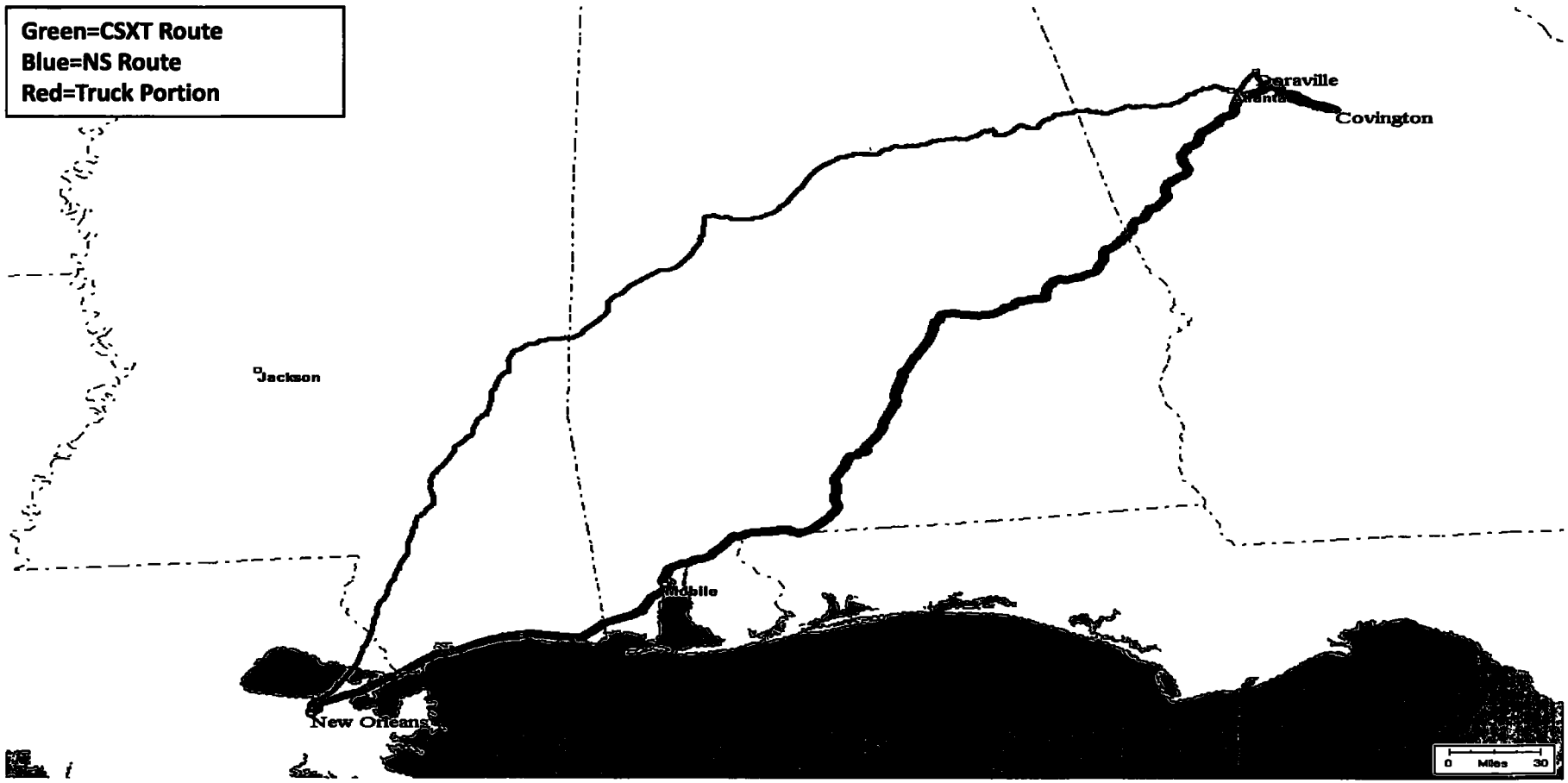
**TPI Movement Number 43: New Orleans, LA – Covington, GA**

CSXT Direct: 534 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Covington, GA (40 Mi)




**CSXT Tariff Rate:** $5,948

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 45: New Orleans, LA – Hollywood, FL**

CSXT Direct: 974 Mi

**Alternative:**

NS Rail: New Orleans, LA – Miami, FL (1,198 Mi)

Truck: Miami, FL – Hollywood, FL (19 Mi)


**CSXT Tariff Rate:** $7,652

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

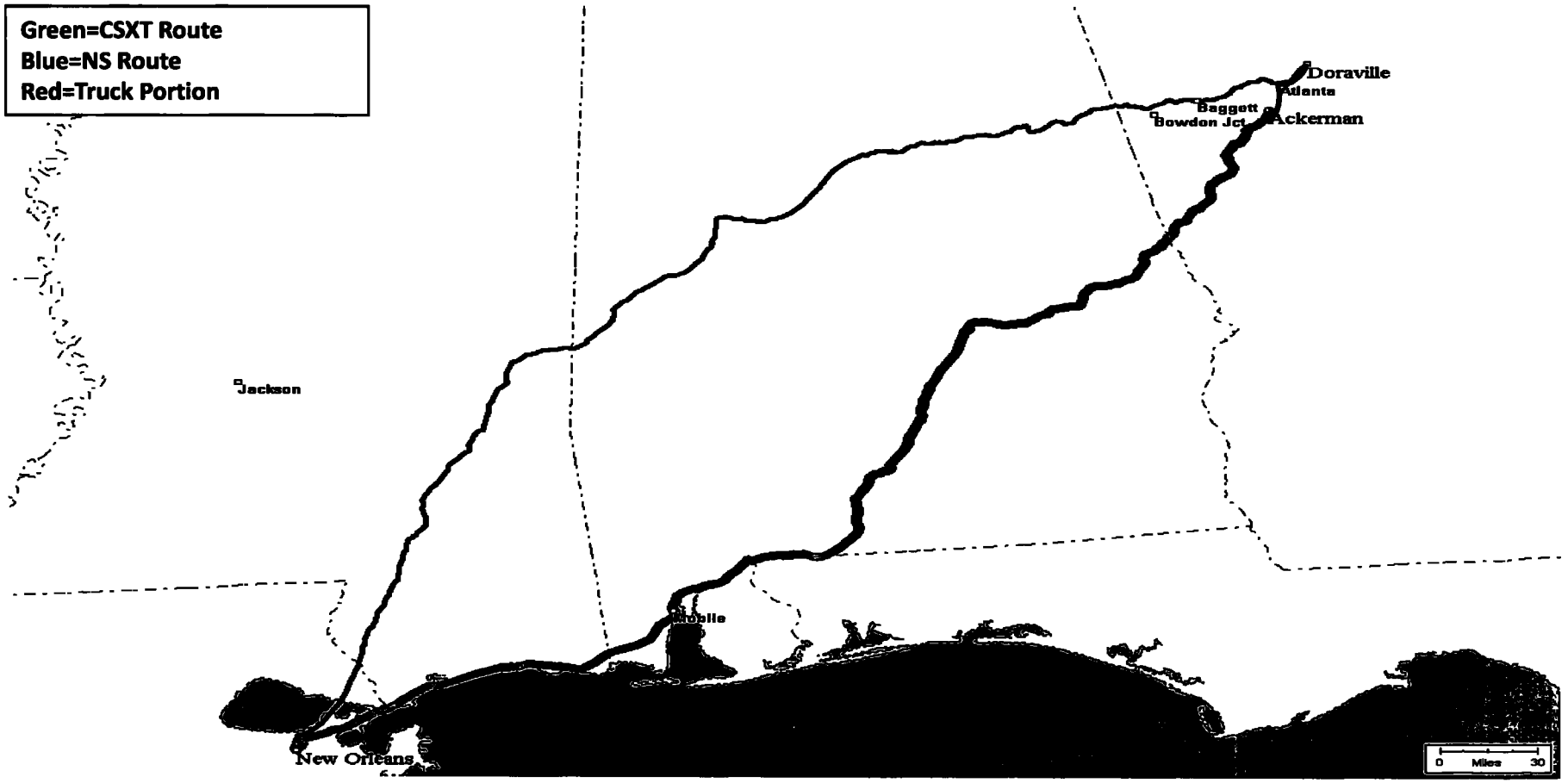
**TPI Movement Number 48: New Orleans, LA – Ackerman, GA**

CSXT Direct: 483 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Ackerman, GA (36 Mi)




**CSXT Tariff Rate:** $5,938

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 49: Chicago, IL – Westboro, MA**

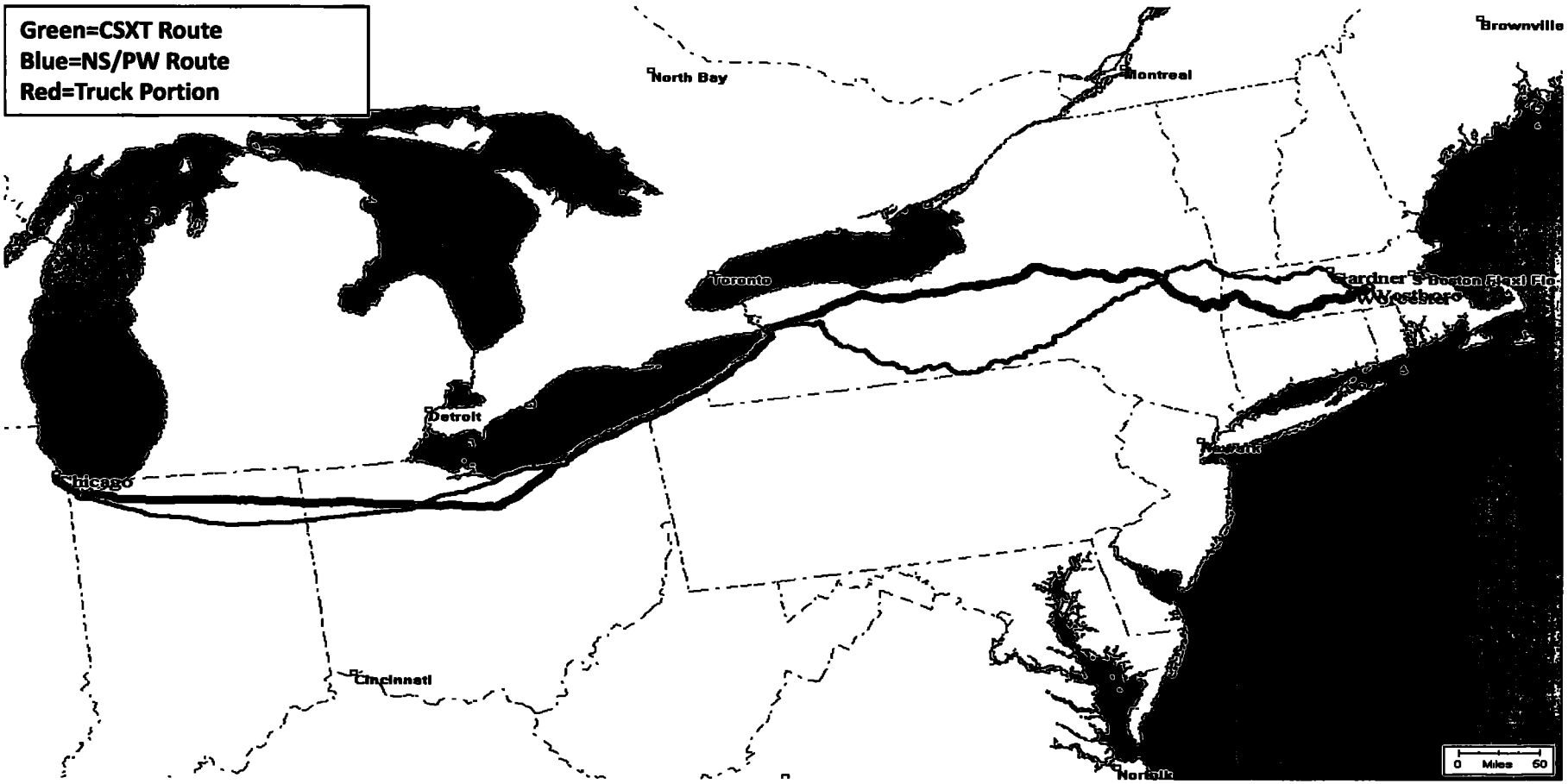
CSXT Direct: 982 Mi

**Alternative:**

NS Rail: Chicago, IL – Gardner, MA

PW Rail: Gardner, MA – Worcester, MA (Alt. Rail Miles: 1,029 Mi)

Truck: Worcester, MA – Westboro, MA (15 Mi)




**CSXT Tariff Rate**: $8,854

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 50: Chicago, IL – Eighty Four, PA**

Chicago-CSXT-Pittsburgh, PA-AVR-Eighty Four: 500 Mi

**Alternative:**

NS Rail: Chicago, IL – Pittsburgh, PA (481 Mi)

Truck: Pittsburgh, PA – Eighty Four, PA (30 Mi)


**CSXT Tariff Rate:** $6,465

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

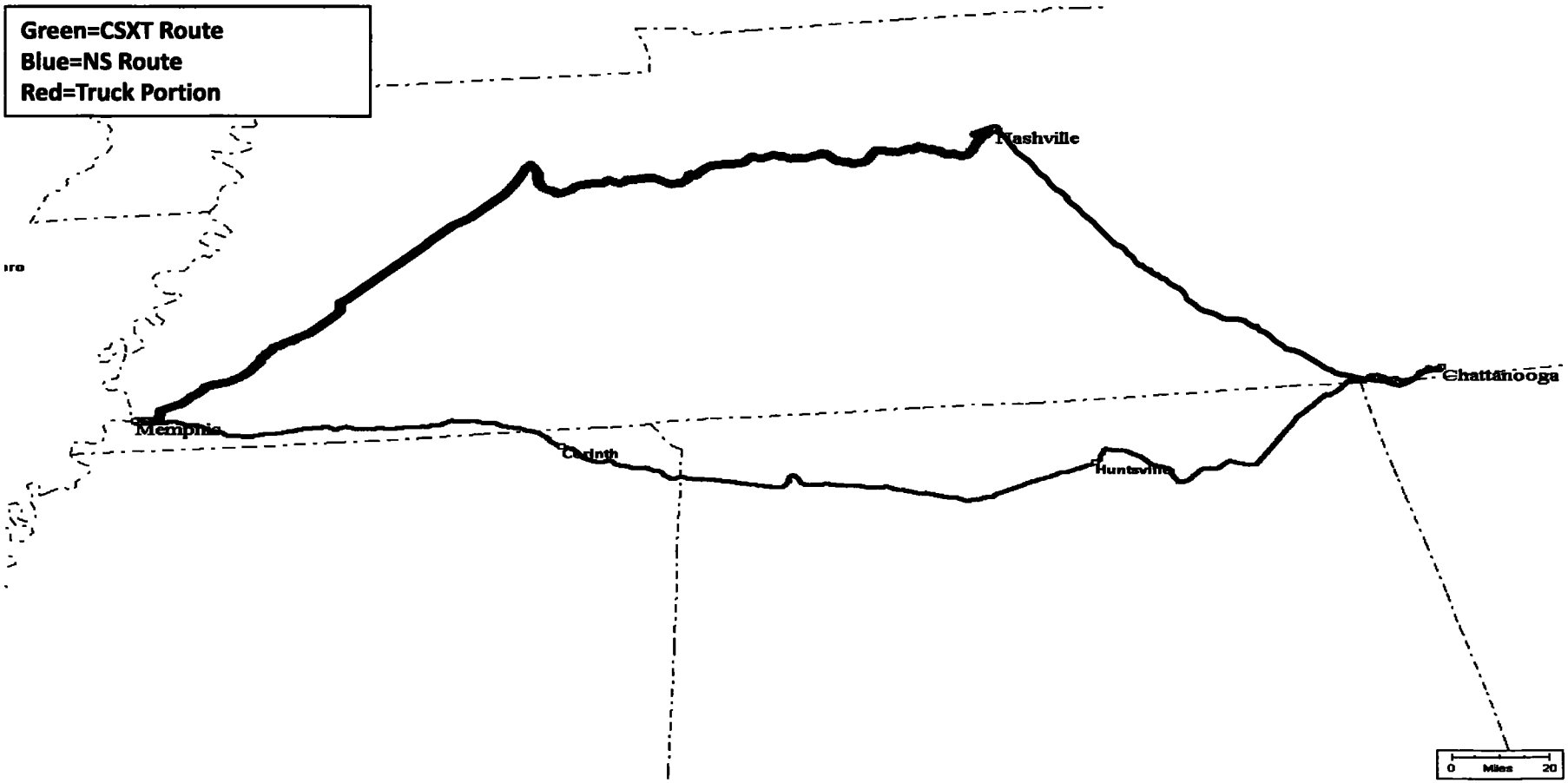
**TPI Movement Number 53: Memphis, TN – Nashville, TN**

CSXT Direct: 232 Mi

**Alternative:**

NS Rail: Memphis, TN – Chattanooga, TN (309 Mi)

Truck: Chattanooga, TN – Nashville, TN (135 Mi)




**CSXT Tariff Rate**: $5,005

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

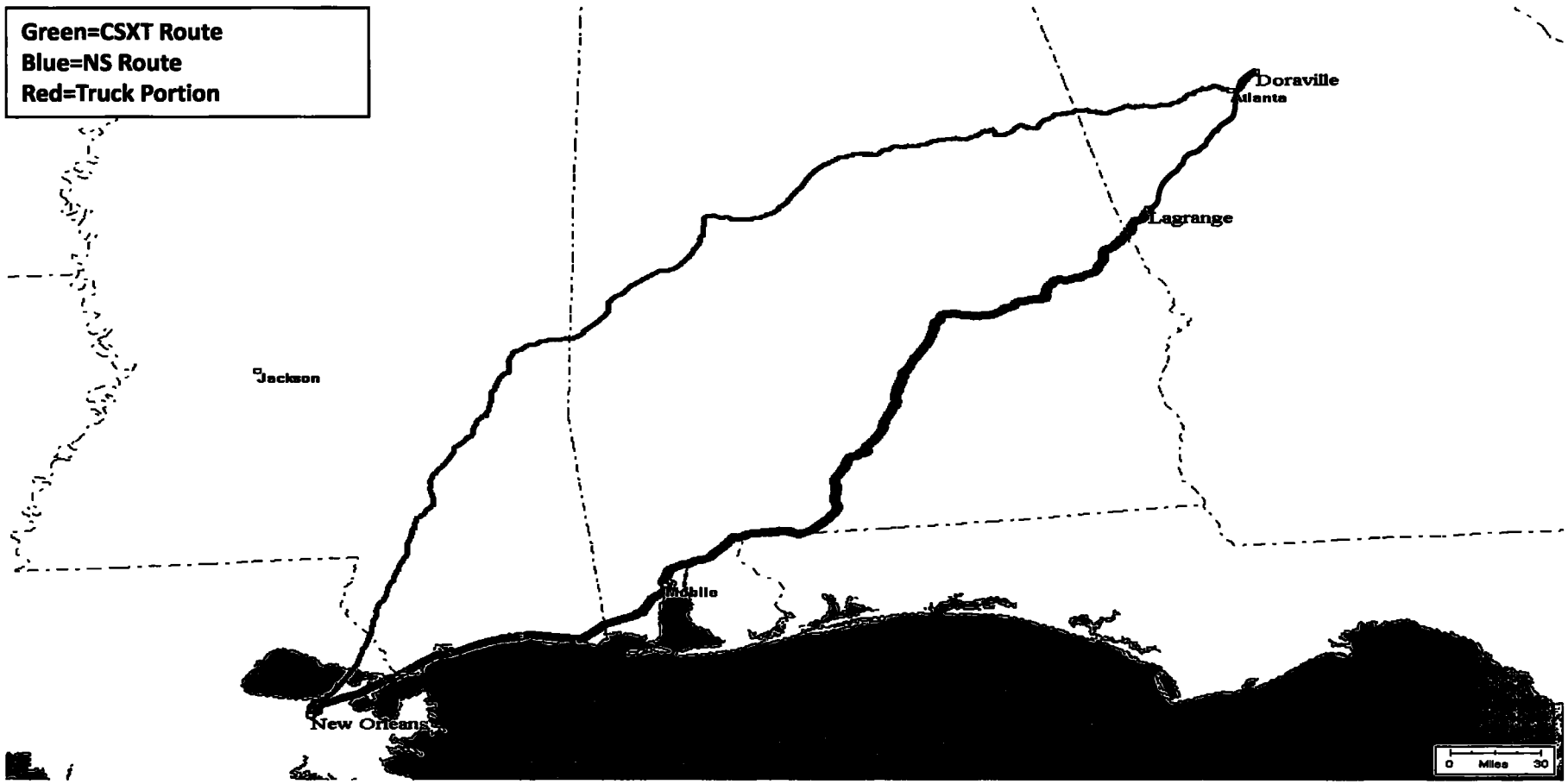
**TPI Movement Number 54: New Orleans, LA – Lagrange, GA**

CSXT Direct: 424 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Lagrange, GA (80 Mi)




**CSXT Tariff Rate:** $5,476

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 56*: Chicago, IL – Terre Haute, IN**

CSXT Direct: 181 Mi

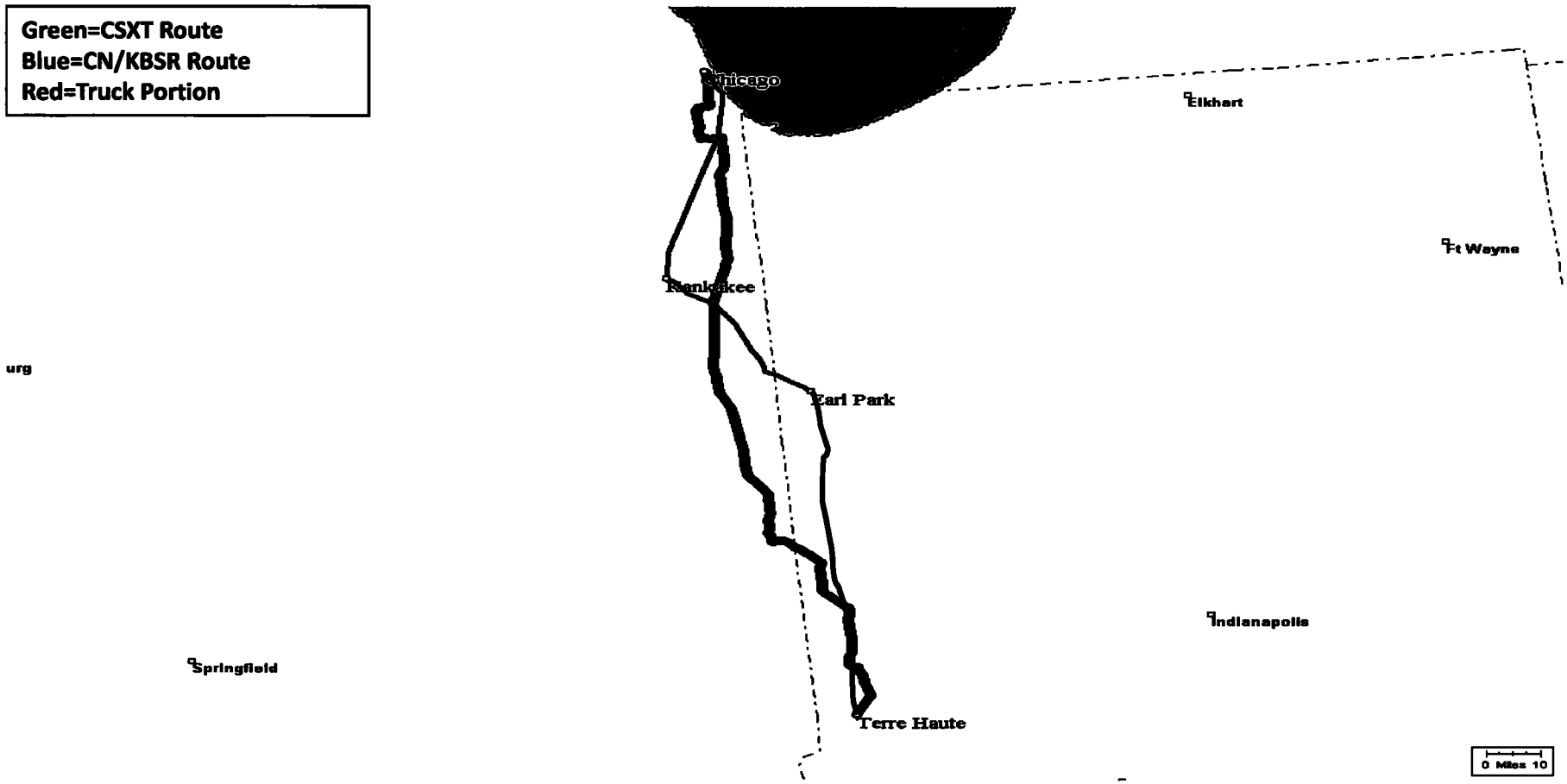
**Alternative:**

CN Rail: Chicago, IL – Kankakee, IL

KBSR Rail: Kankakee, IL – Earl Park, IL (Alt. Rail Miles: 97 Mi)

Truck: Earl Park, IL – Terre Haute, IN (89 Mi)

**Green=CSXT Route**
**Blue=CN/KBSR Route**
**Red=Truck Portion**




**CSXT Tariff Rate**: $3,716

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Truck Competitive Option

**PUBLIC VERSION**

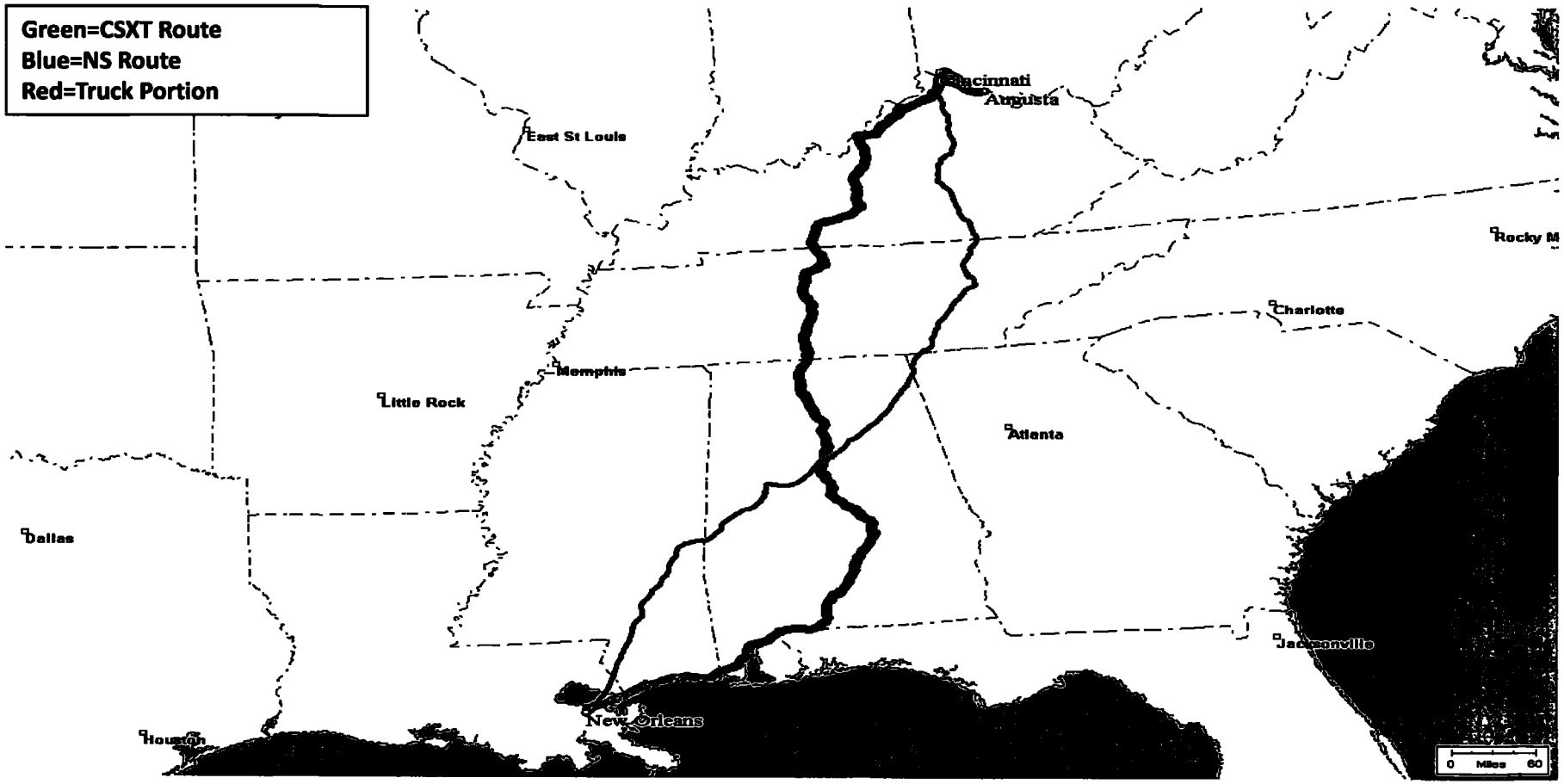
**TPI Movement Number 59: New Orleans, LA – Augusta, KY**

CSXT Direct: 956 Mi

**Alternative:**

NS Rail: New Orleans, LA – Cincinnati, OH (829 Mi)

Truck: Cincinnati, OH – Augusta, KY (45 Mi)




**CSXT Tariff Rate:** $7,804

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

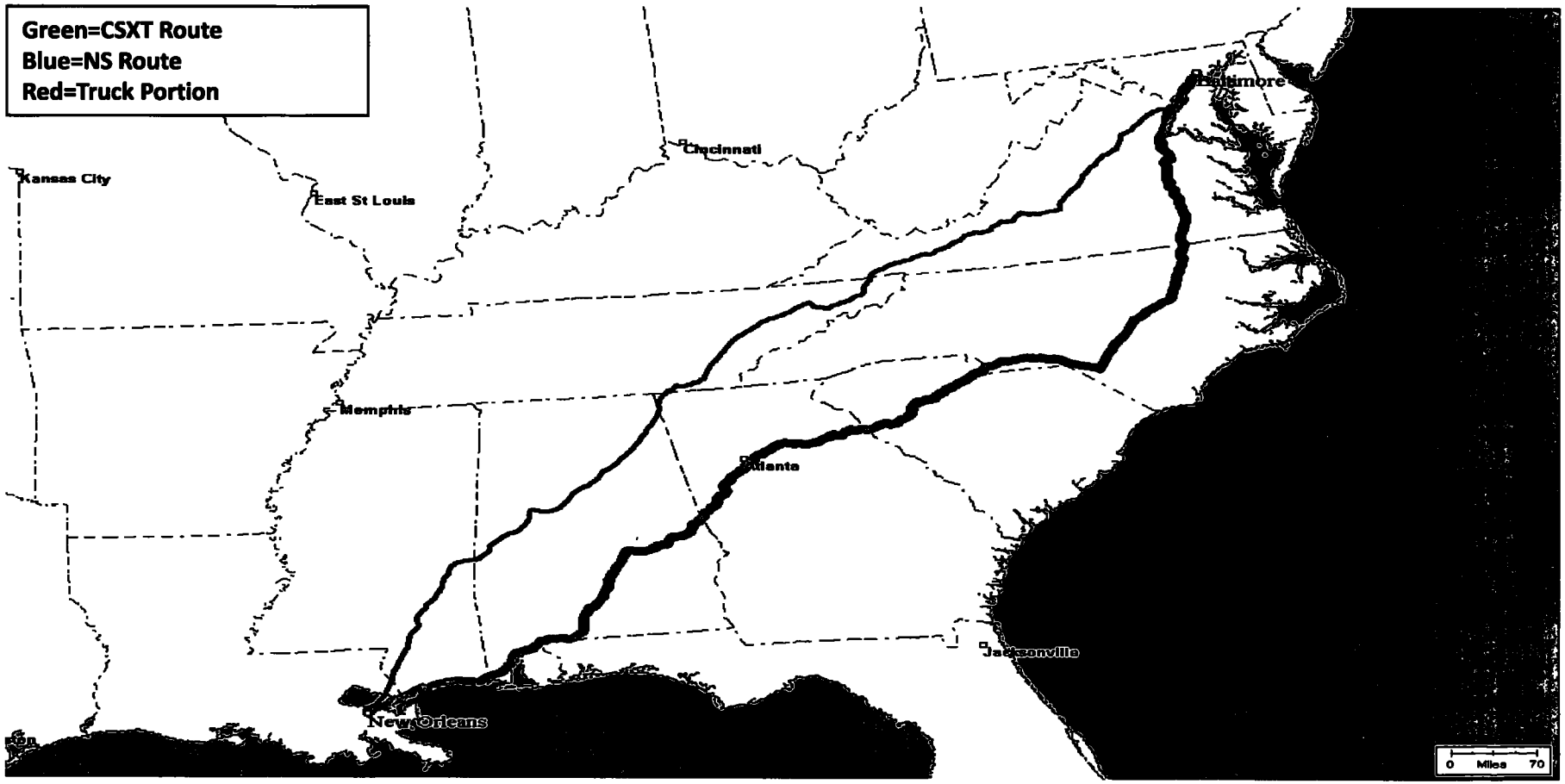
**TPI Movement Number 60: New Orleans, LA – Baltimore, MD**

CSXT Direct: 1,245 Mi

**Alternative:**

NS Rail: New Orleans, LA – Baltimore, MD (1,157 Mi)

Truck: Baltimore, MD – Baltimore, MD (5 Mi)




**CSXT Tariff Rate:** $9,669

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

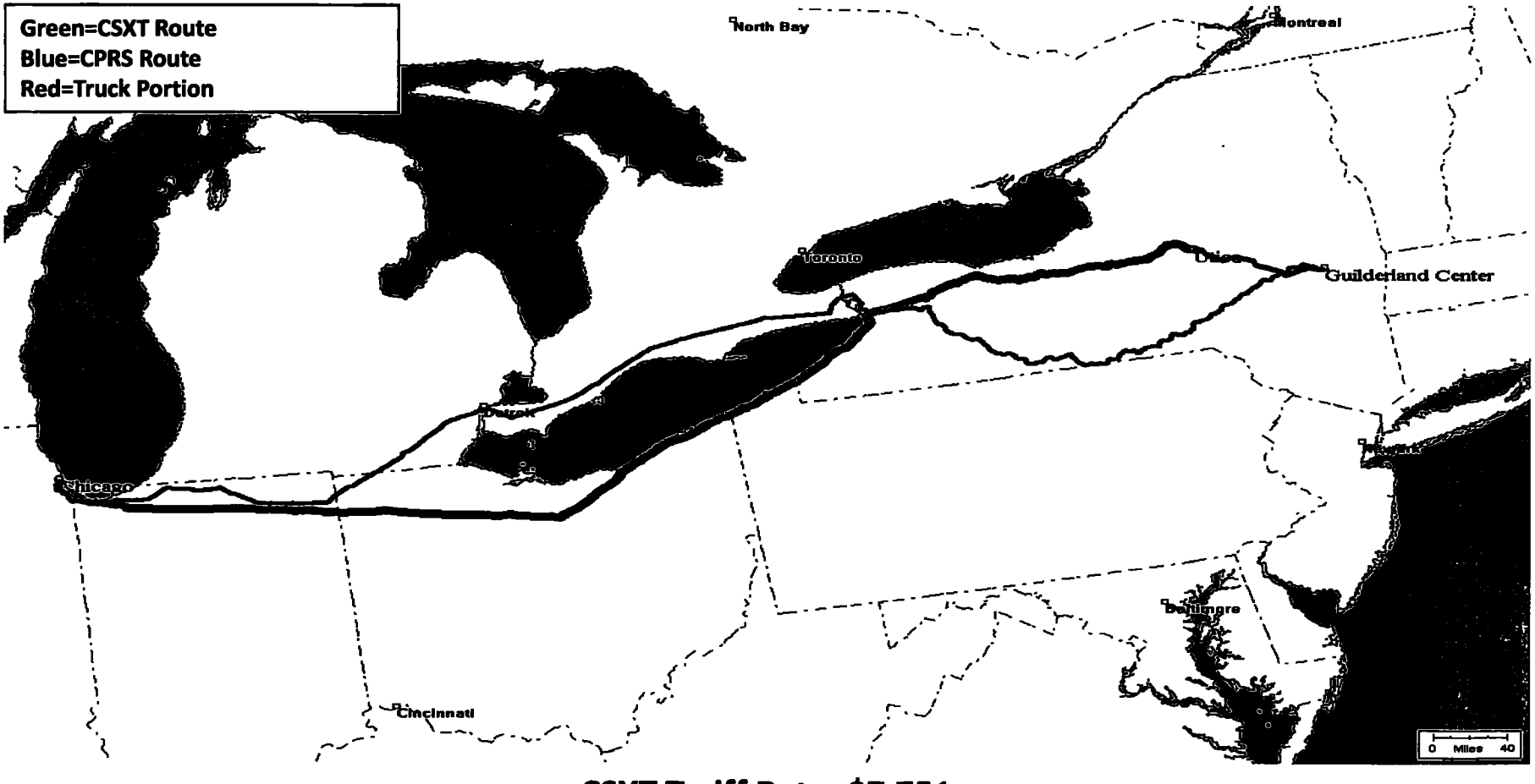
**TPI Movement Number 61: Chicago, IL – Utica, NY**

CSXT Direct: 717 Mi

**Alternative:**

CPRS: Chicago, IL – Guilderland Ctr., NY (883 Mi)

Truck: Guilderland Ctr., NY – Utica, NY (87 Mi)




**CSXT Tariff Rate**: $7,751

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

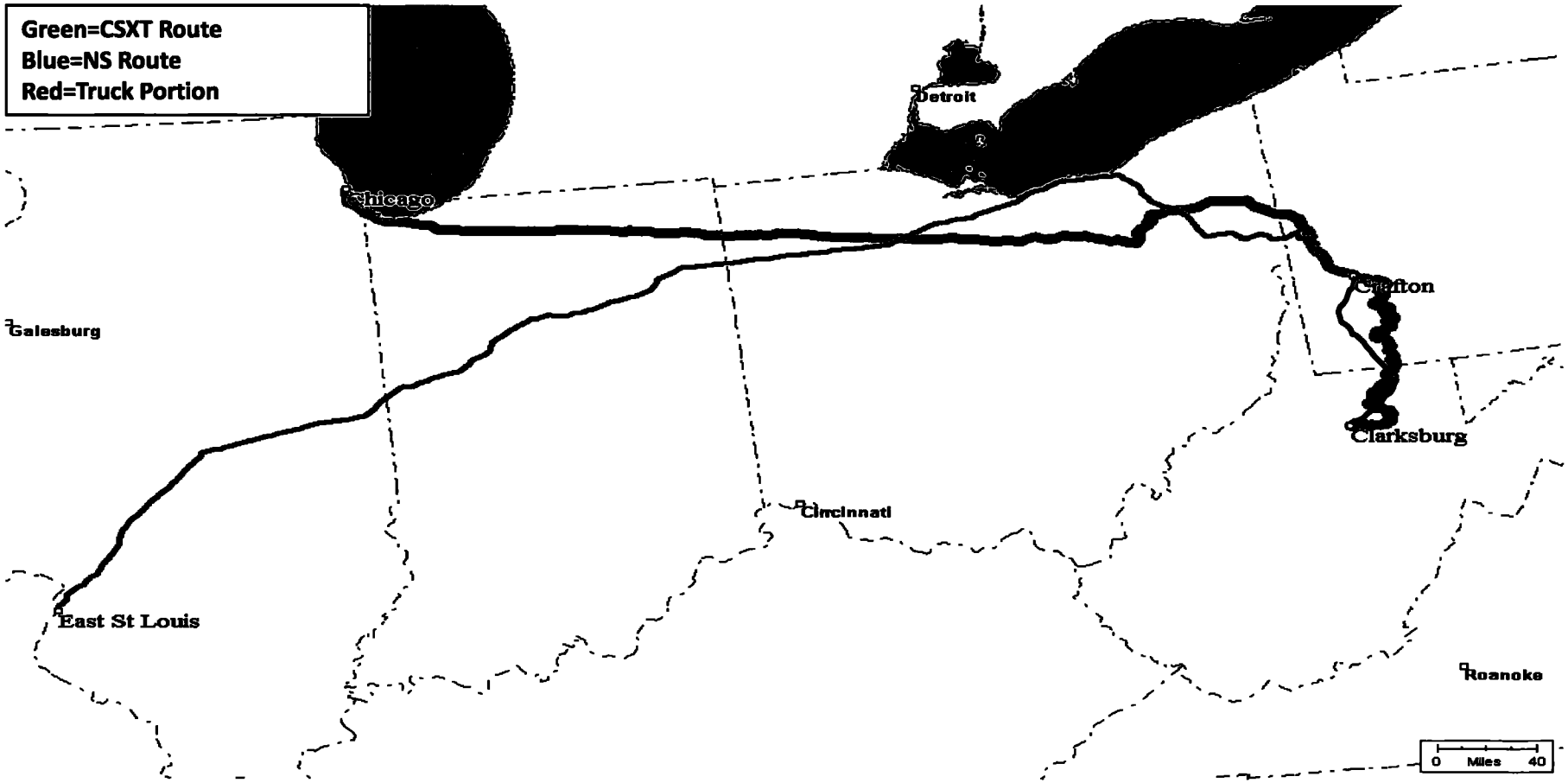
**TPI Movement Number 62: Chicago, IL – Clarksburg, WV**

CSXT Direct: 635 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Crafton, PA (662 Mi)

Truck: Crafton, PA – Clarksburg, WV (110 Mi)




**CSXT Tariff Rate**: $6,323

**PUBLIC VERSION** **Cost of Rail/Truck Alternative**: {{ }}

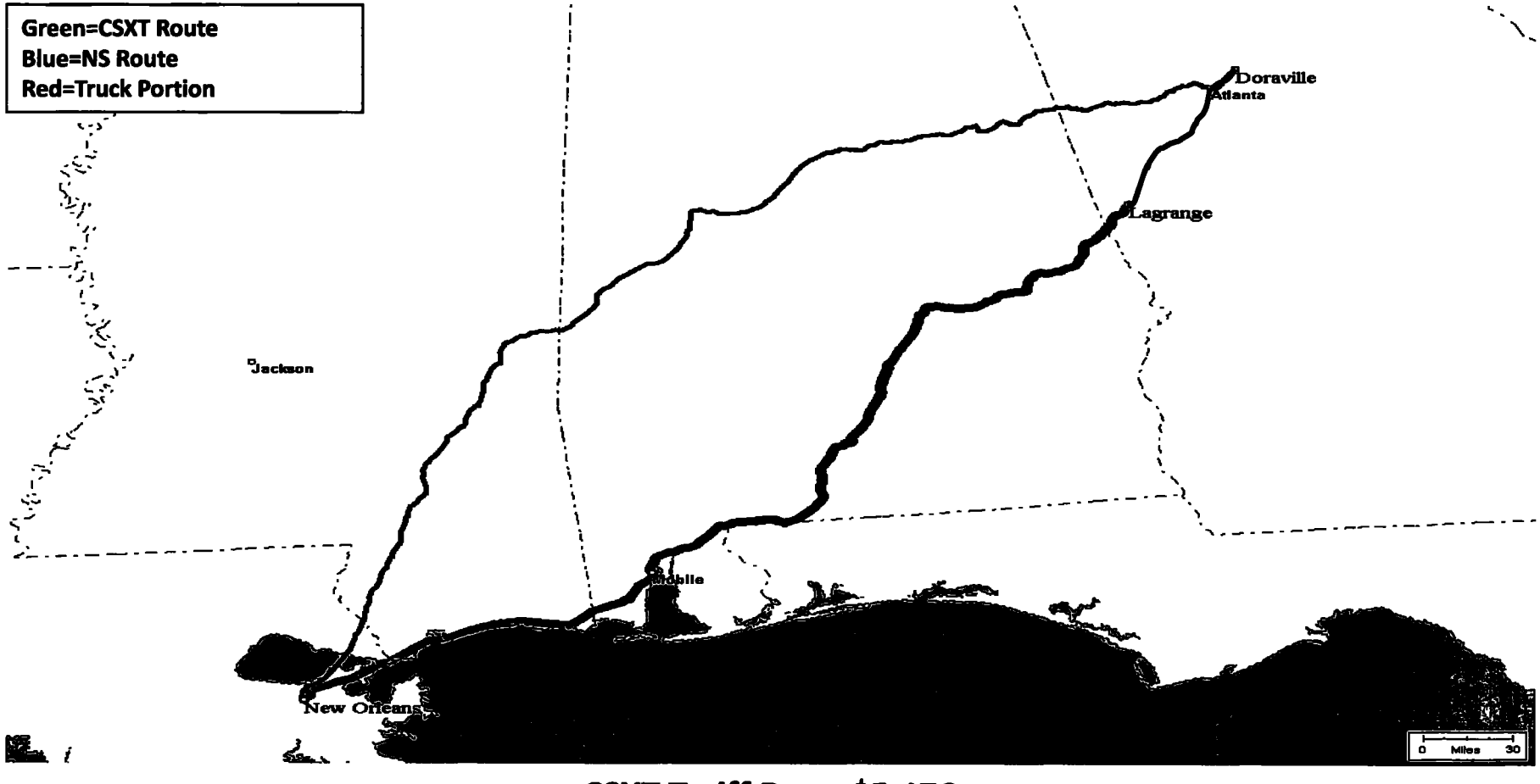
**TPI Movement Number 65: New Orleans, LA – Lagrange, GA**

CSXT Direct: 424 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Lagrange, GA (80 Mi)




**CSXT Tariff Rate:** $5,476

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

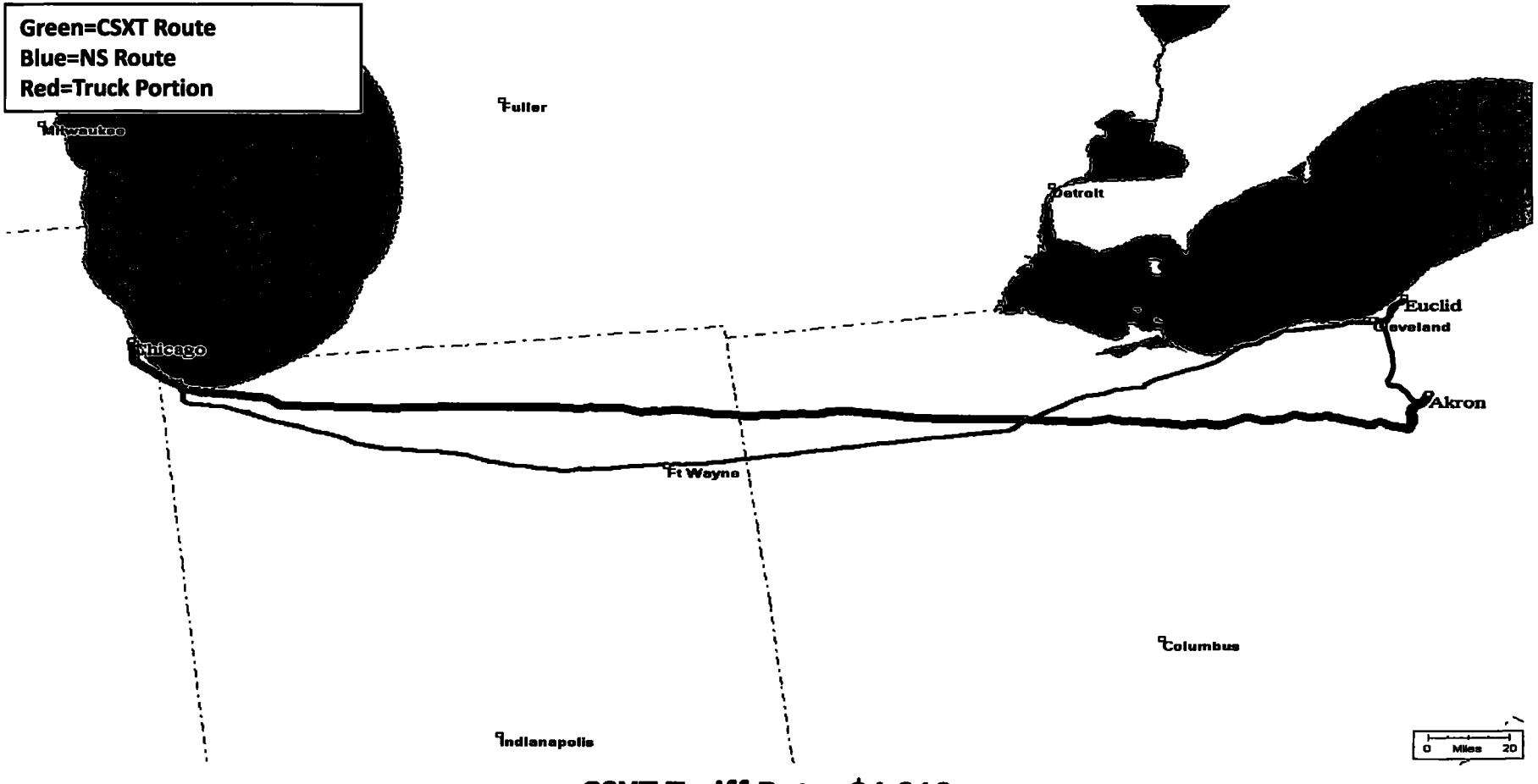
**TPI Movement Number 67*: Chicago, IL – Akron, OH**

CSXT Direct: 345 Mi

**Alternative:**

NS Rail: Chicago, IL – Euclid, OH (352 Mi)

Truck: Euclid, OH – Akron, OH (44 Mi)




**CSXT Tariff Rate**: $4,912

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Rail Competitive Option

**PUBLIC VERSION**

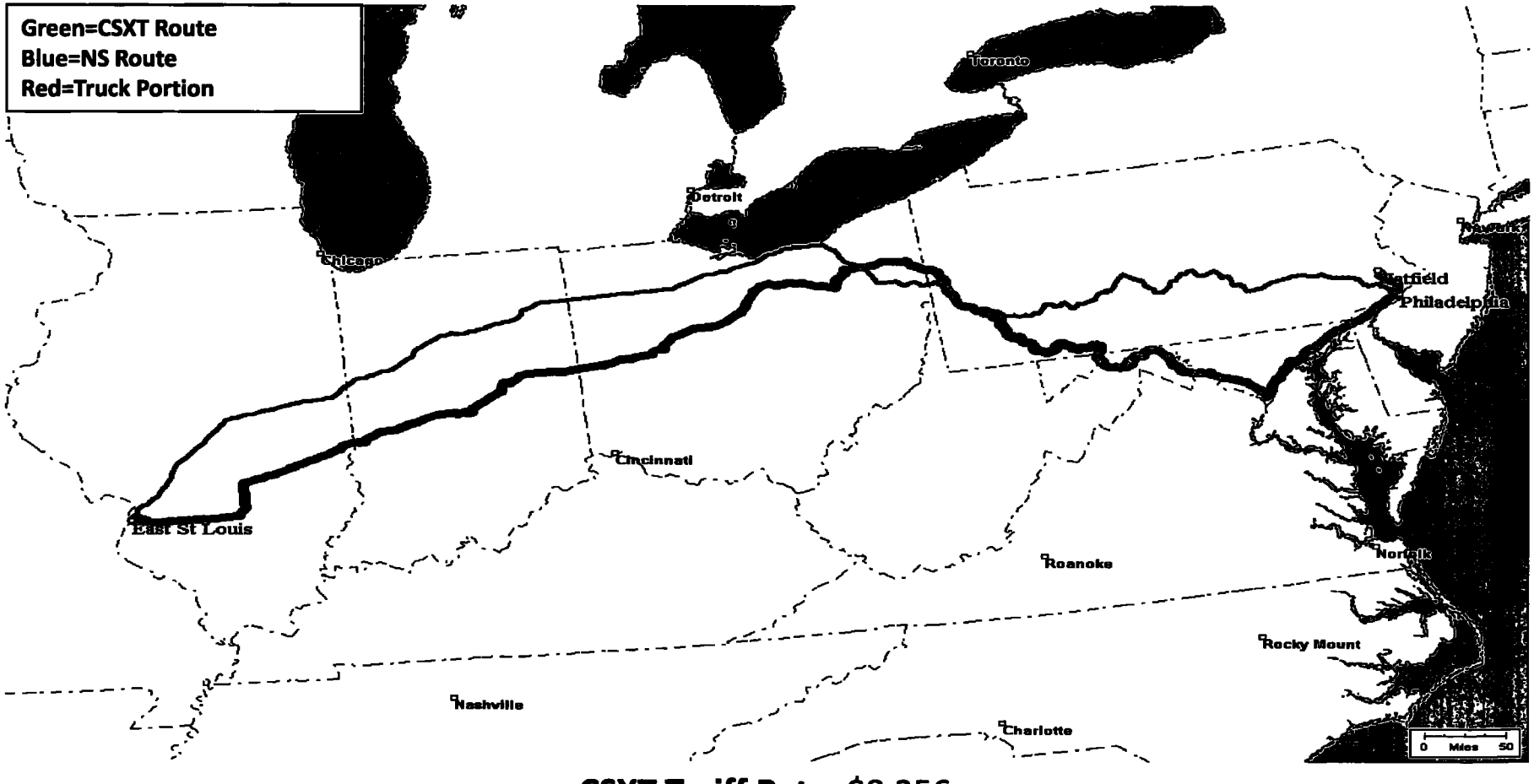
**TPI Movement Number 68: East St. Louis, IL – Hatfield, PA**

CSXT Direct: 1,098 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Philadelphia, PA (1,029 Mi)

Truck: Philadelphia, PA – Hatfield, PA (33 Mi)




**CSXT Tariff Rate**: $8,256

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

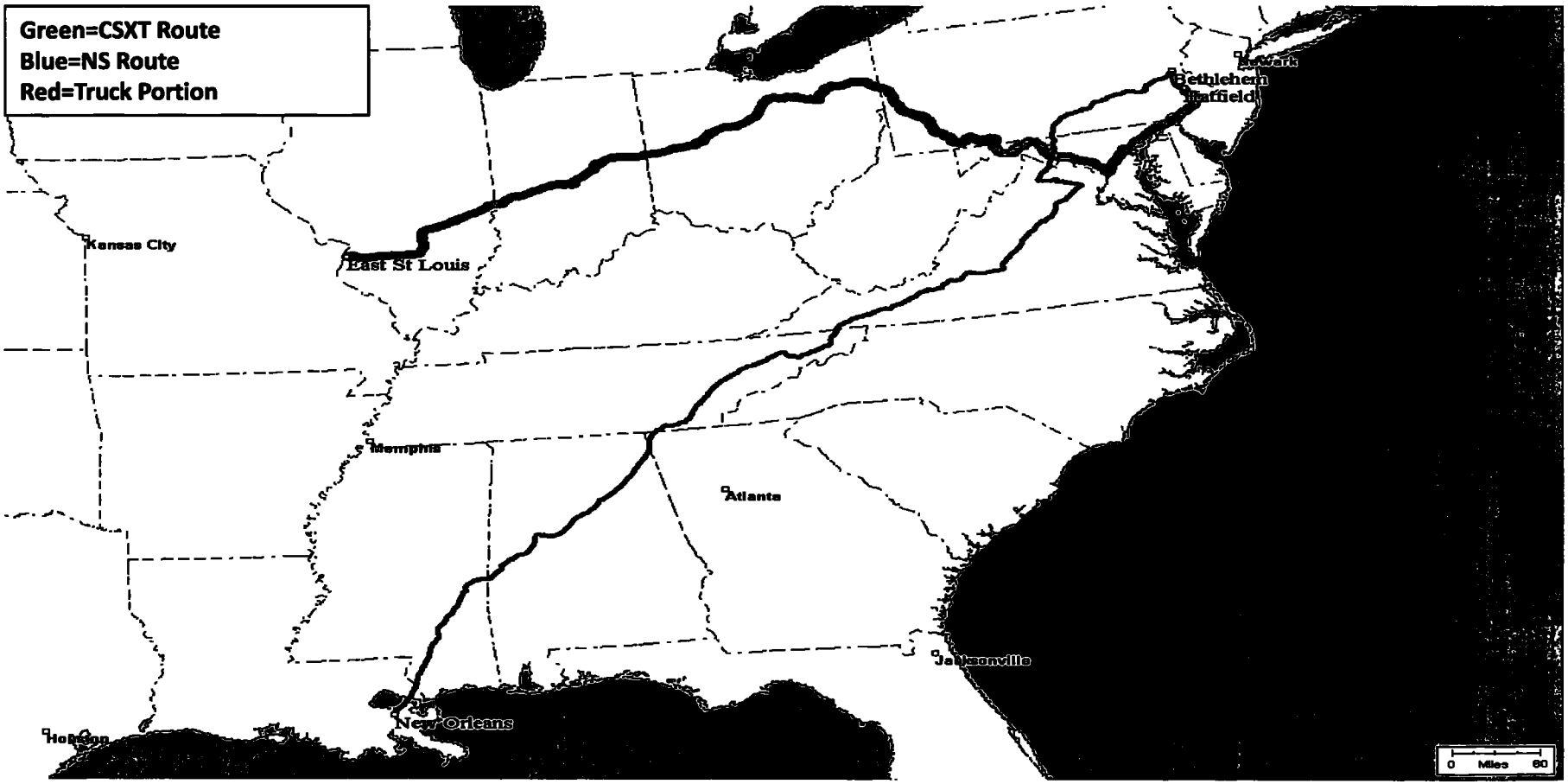
**TPI Movement Number 68: East St. Louis, IL – Hatfield, PA**

CSXT Direct: 1,098 Mi

**Alternative:**

NS Rail: New Orleans, LA – Bethlehem, PA (PBNE) (1,360 Mi)

Truck: Bethlehem, PA – Hatfield, PA (27 Mi)




**CSXT Tariff Rate:** $8,256

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

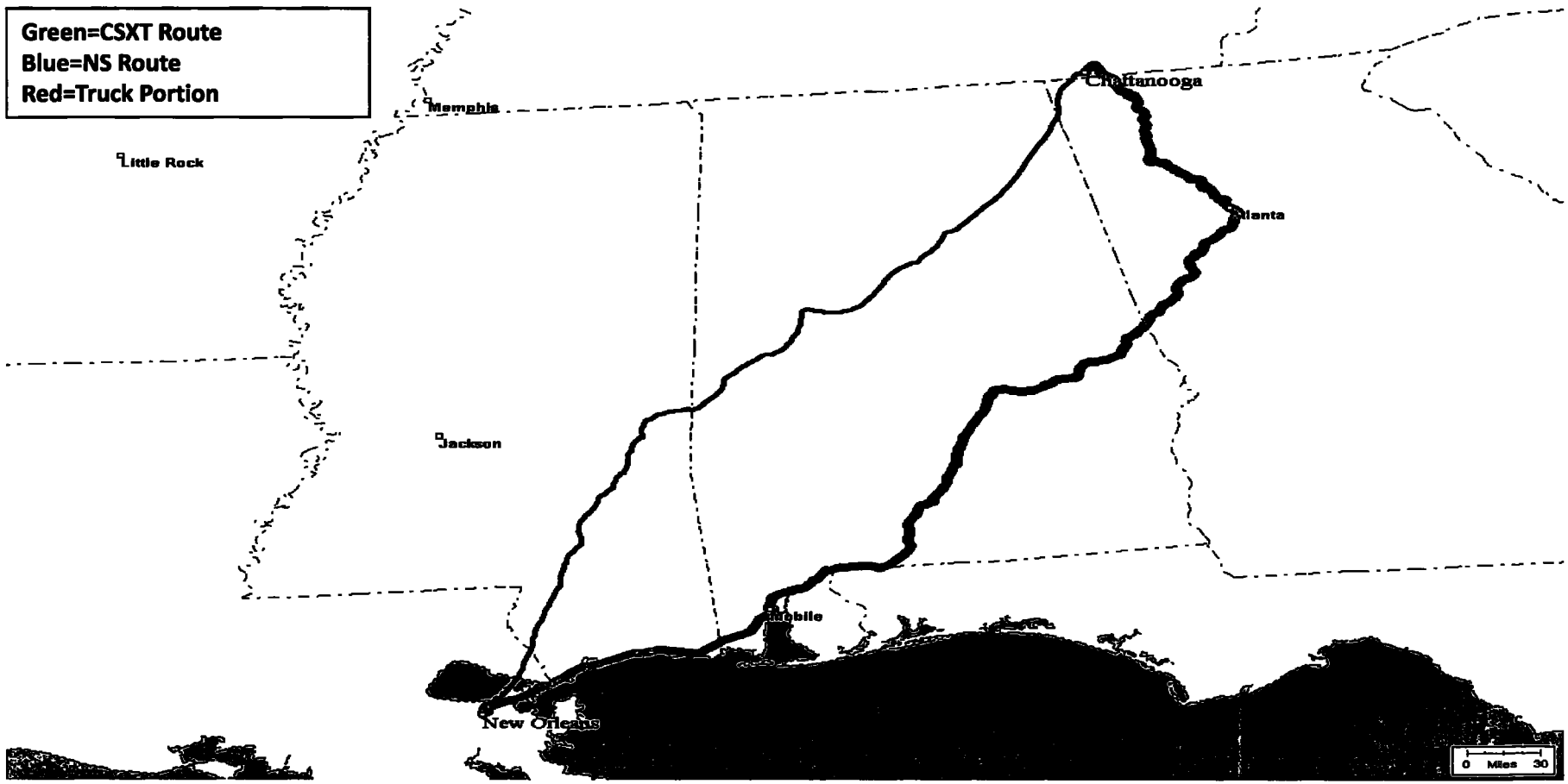
**TPI Movement Number 70*: New Orleans, LA – Chattanooga, TN**

CSXT Direct: 631 Mi

**Alternative:**

NS Rail: New Orleans, LA – Chattanooga, TN (497 Mi)

Truck: Chattanooga, TN – Chattanooga, TN (5 Mi)




**CSXT Tariff Rate:** $5,807

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Rail Competitive Option

**PUBLIC VERSION**

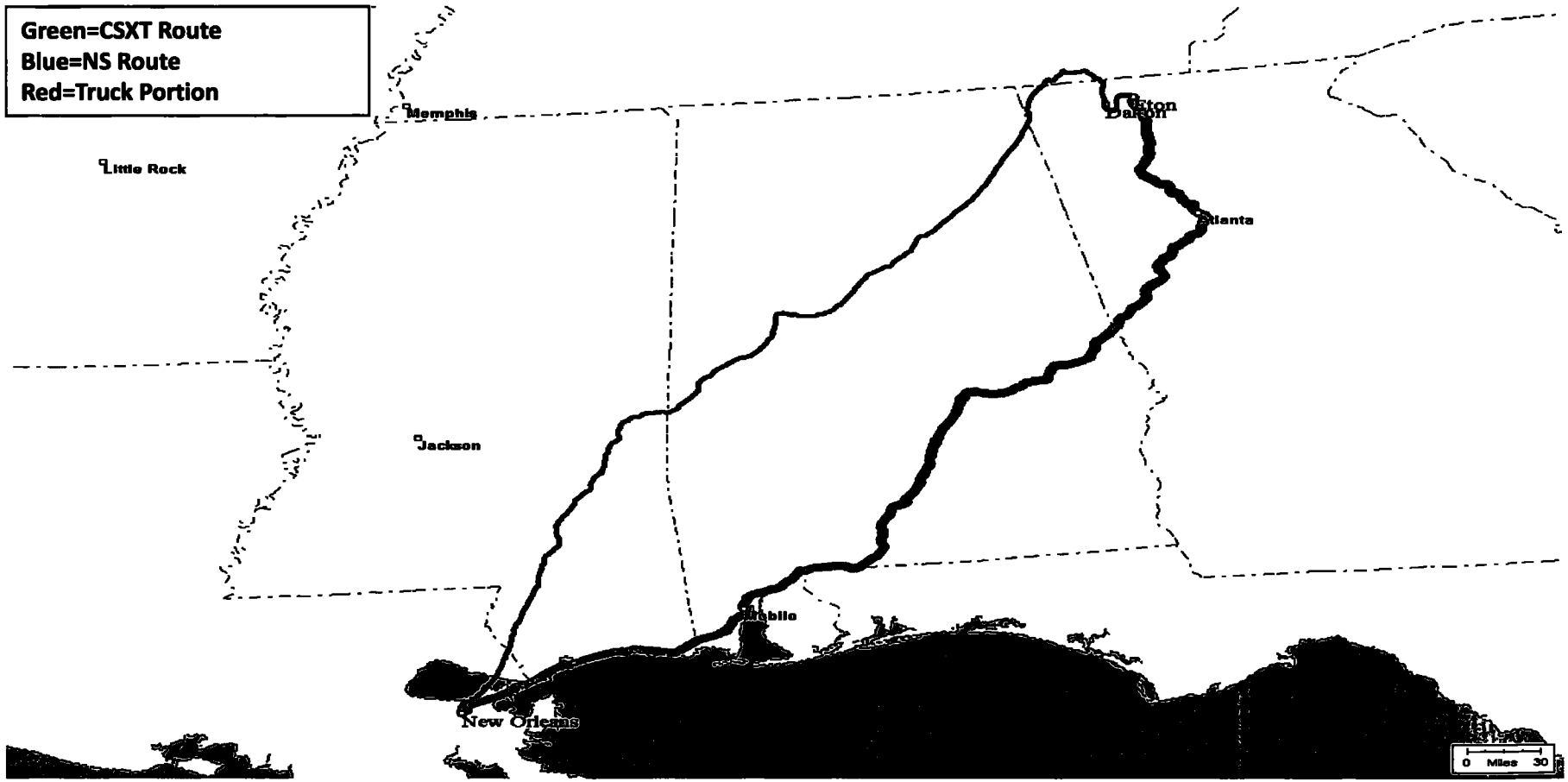
**TPI Movement Number 71: New Orleans, LA – Eton, GA**

CSXT Direct: 590 Mi

**Alternative:**

NS Rail: New Orleans, LA – Dalton, GA(539 Mi)

Truck: Dalton, GA – Eton, GA (16 Mi)




**CSXT Tariff Rate:** $5,799

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

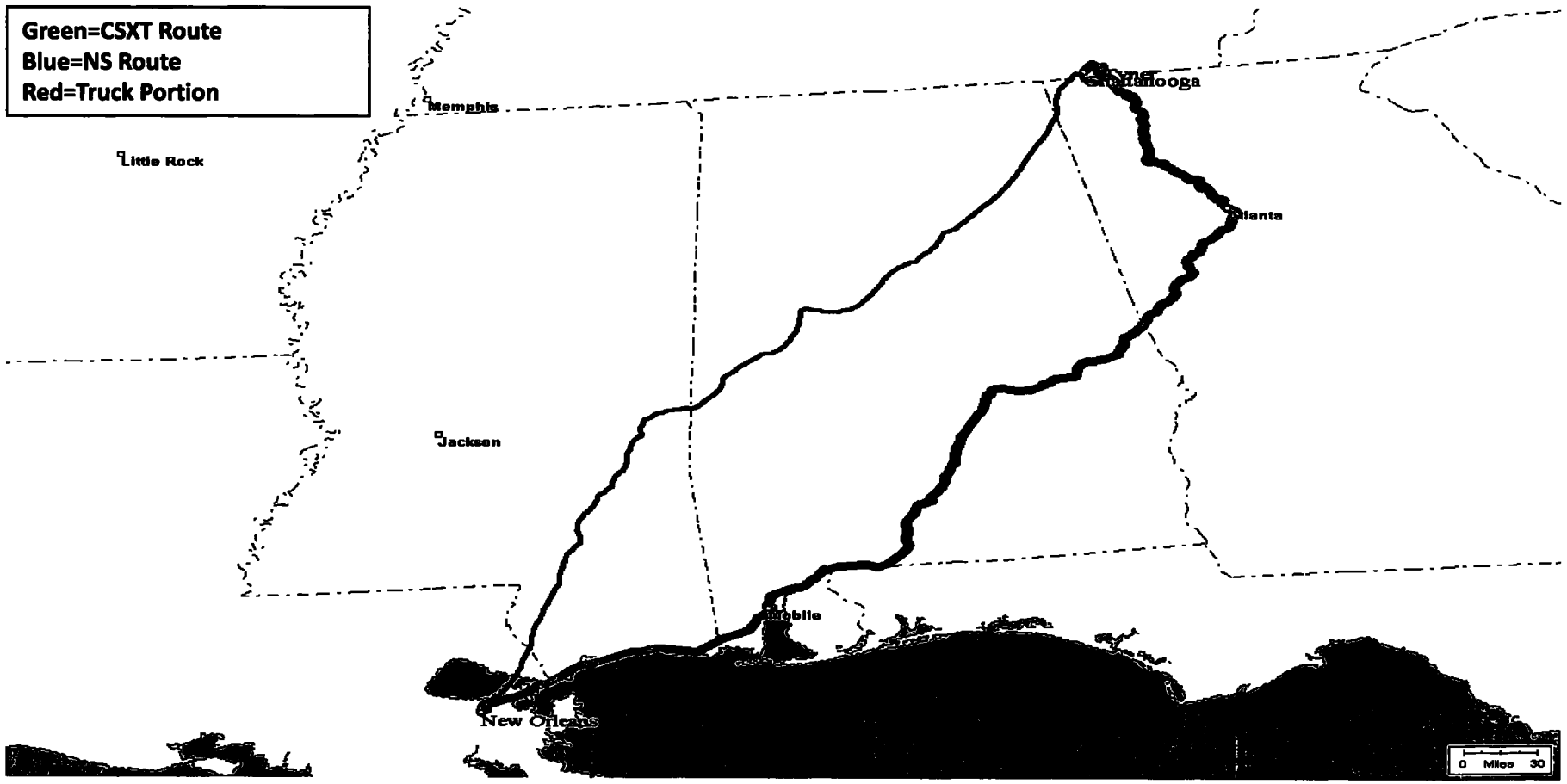
**TPI Movement Number 72: New Orleans, LA – Tyner, TN**

CSXT Direct: 641 Mi

**Alternative:**

NS Rail: New Orleans, LA – Chattanooga, TN (497 Mi)

Truck: Chattanooga, TN – Tyner, TN (15 Mi)




**CSXT Tariff Rate:** $5,809

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

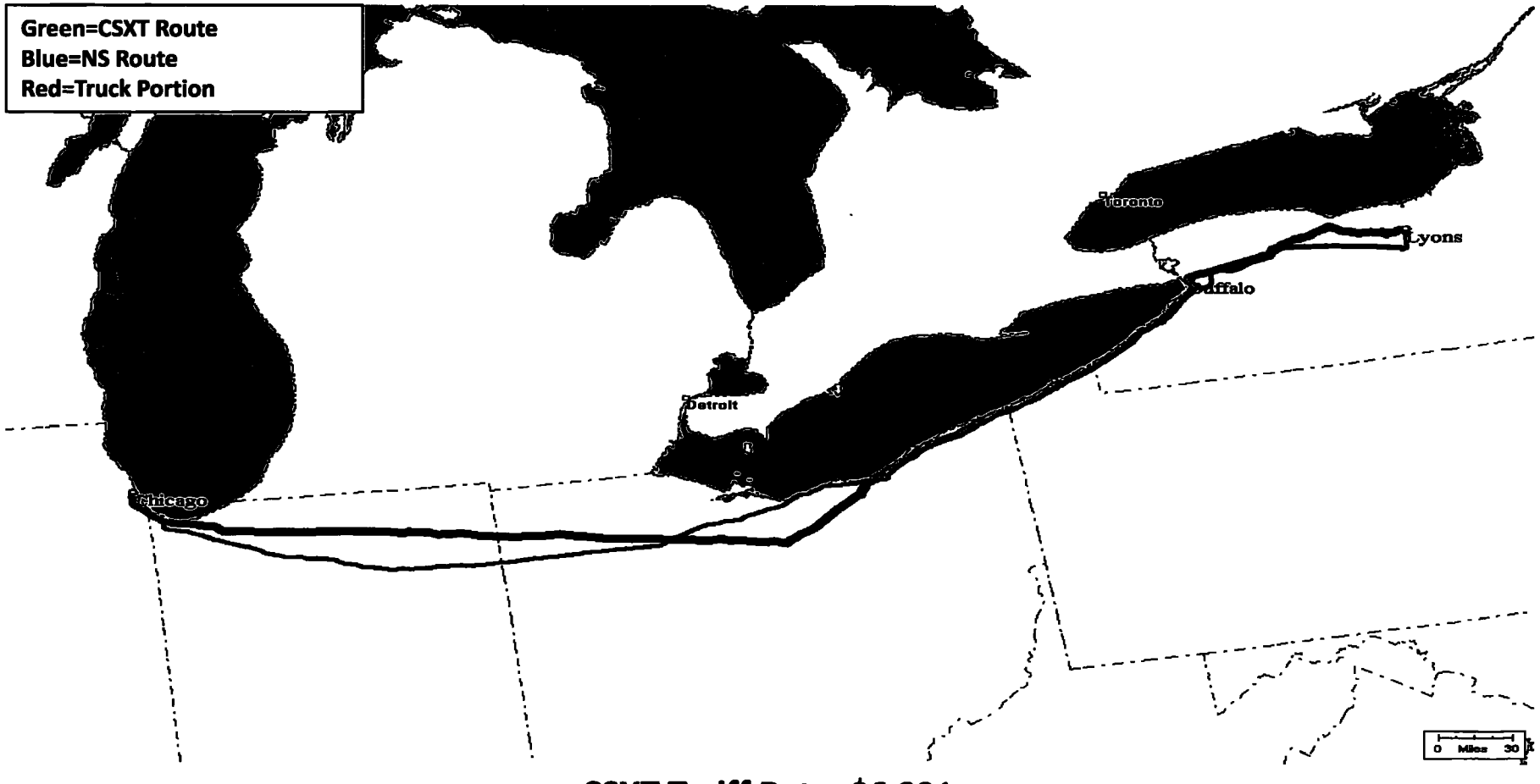
**TPI Movement Number 73: Chicago, IL – Lyons, NY**

CSXT Direct: 619 Mi

**Alternative:**

NS Rail: Chicago, IL – Buffalo, NY (523 Mi)

Truck: Buffalo, NY – Lyons, NY (113 Mi)




**CSXT Tariff Rate:** $6,831

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

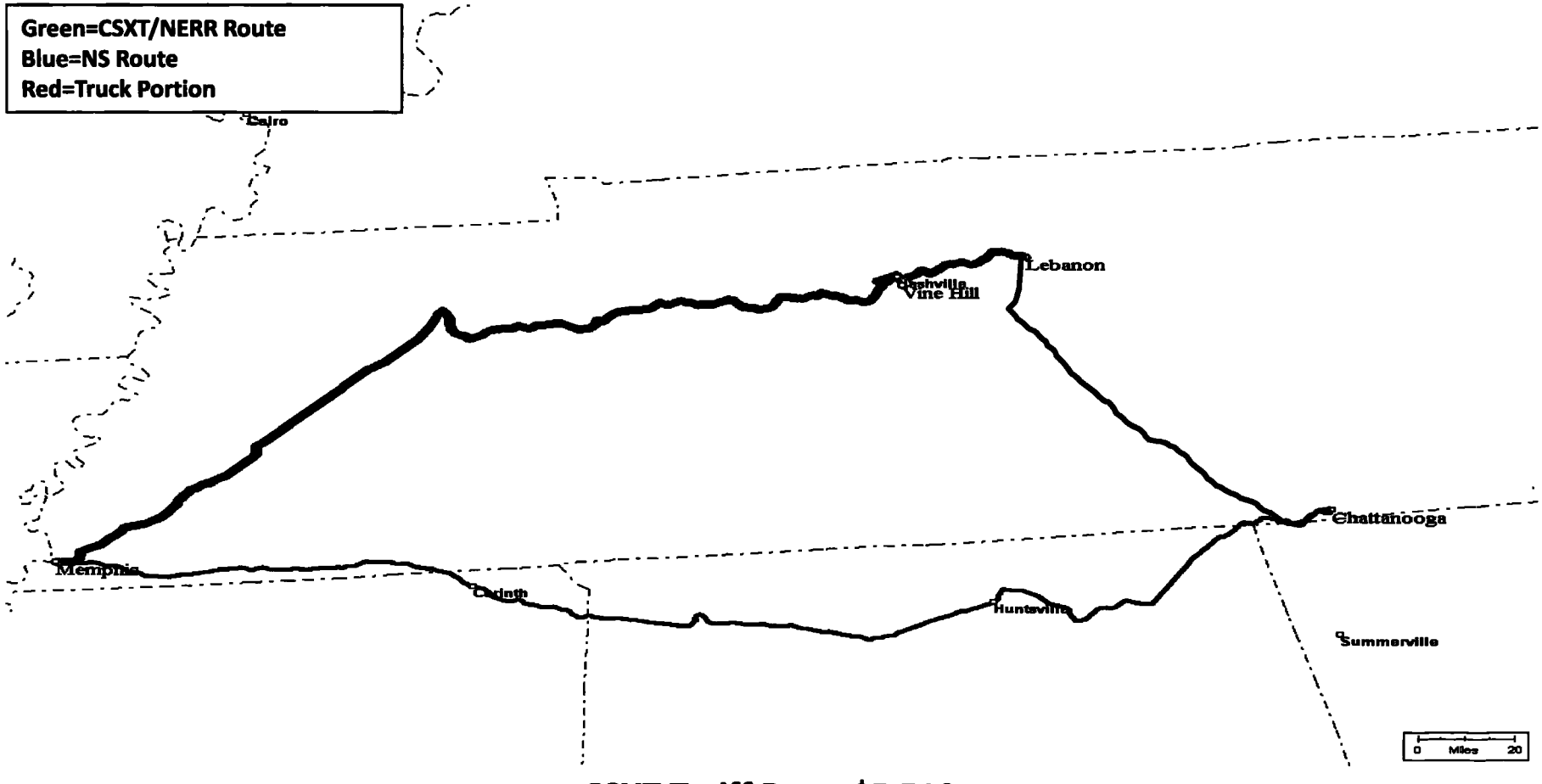
**TPI Movement Number 74: Memphis, TN – Lebanon, TN**

Memphis-CSXT-Vine Hill, TN-NERR-Lebanon: 235 Mi

**Alternative:**

NS Rail: Memphis, TN – Chattanooga, TN (309 Mi)

Truck: Chattanooga, TN – Lebanon, TN (134 Mi)




**CSXT Tariff Rate:** $5,510

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 76: Memphis, TN – Lewisburg, TN**

CSXT Direct: 285 Mi

**Alternative:**

NS Rail: Memphis, TN – Chattanooga, TN (309 Mi)

Truck: Chattanooga, TN – Lebanon, TN (123 Mi)


**CSXT Tariff Rate**: $5,016

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

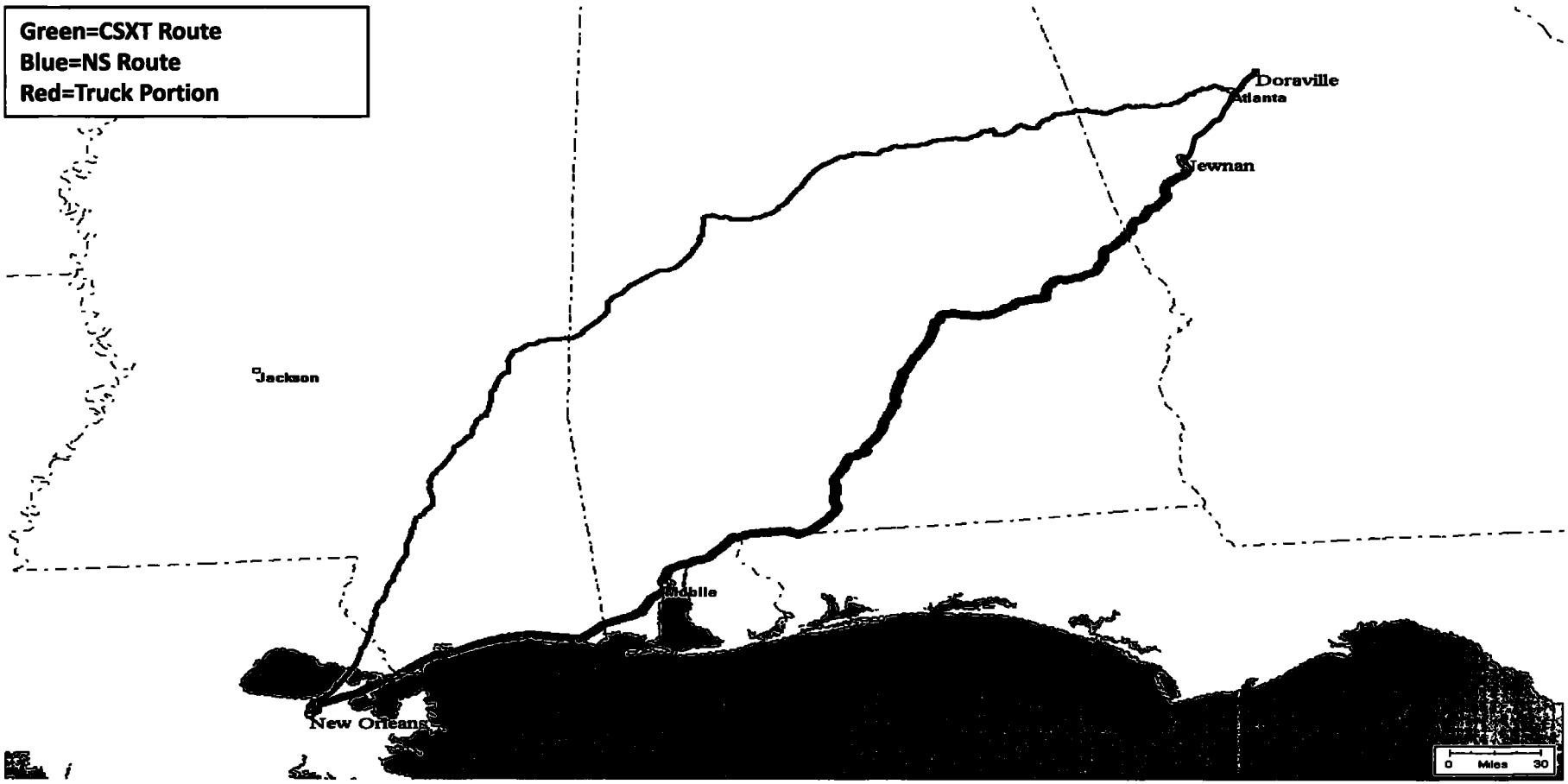
**TPI Movement Number 79: New Orleans, LA – Newnan, GA**

CSXT Direct: 456 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Newnan, GA (52 Mi)




**CSXT Tariff Rate**: $5,932

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

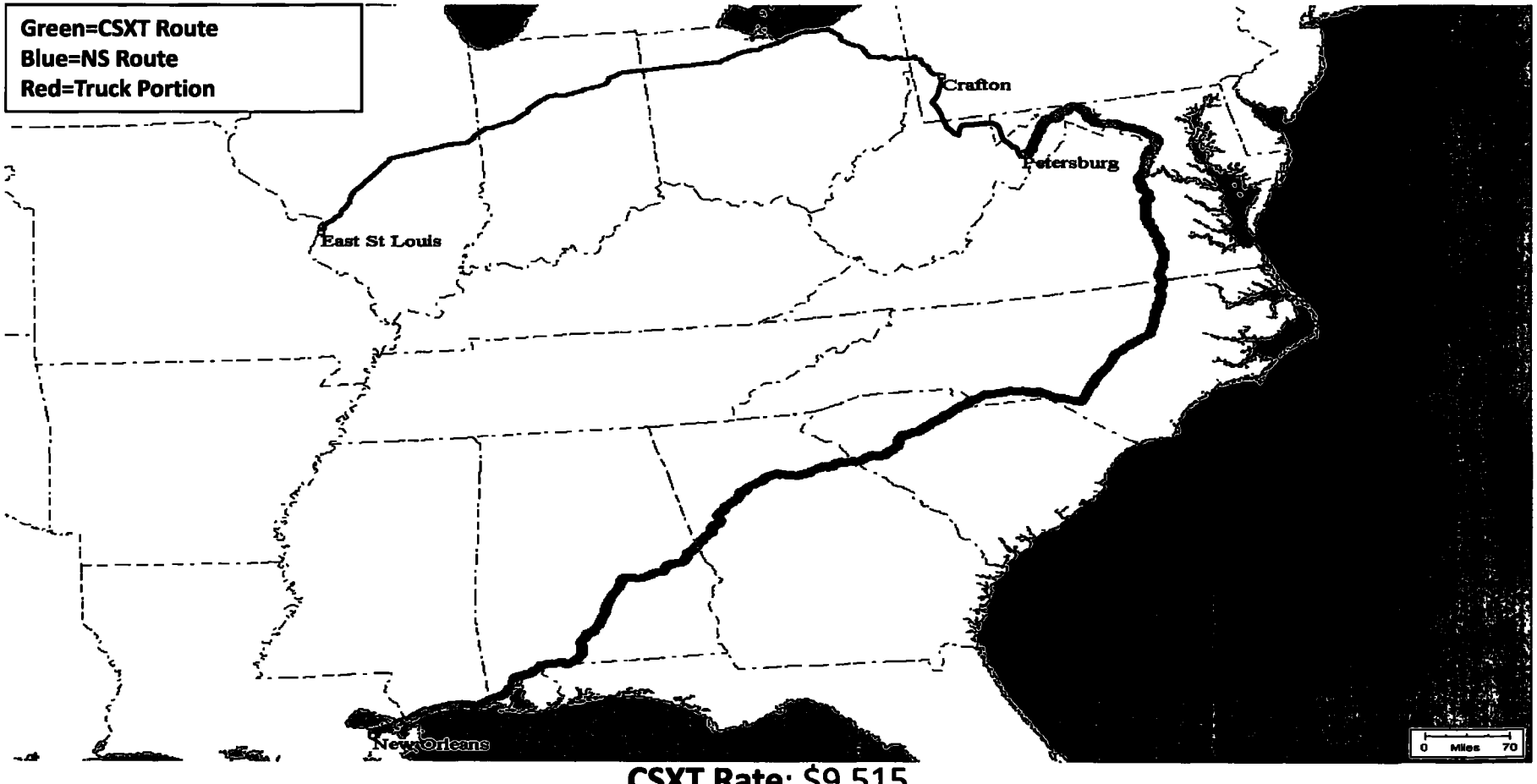
**TPI Movement Number 80: New Orleans, LA – Petersburg, WV**

CSXT Direct: 1,343 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Crafton, PA (662 Mi)

Truck: Crafton, PA – Petersburg, WV (151 Mi)




**CSXT Rate:** $9,515

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

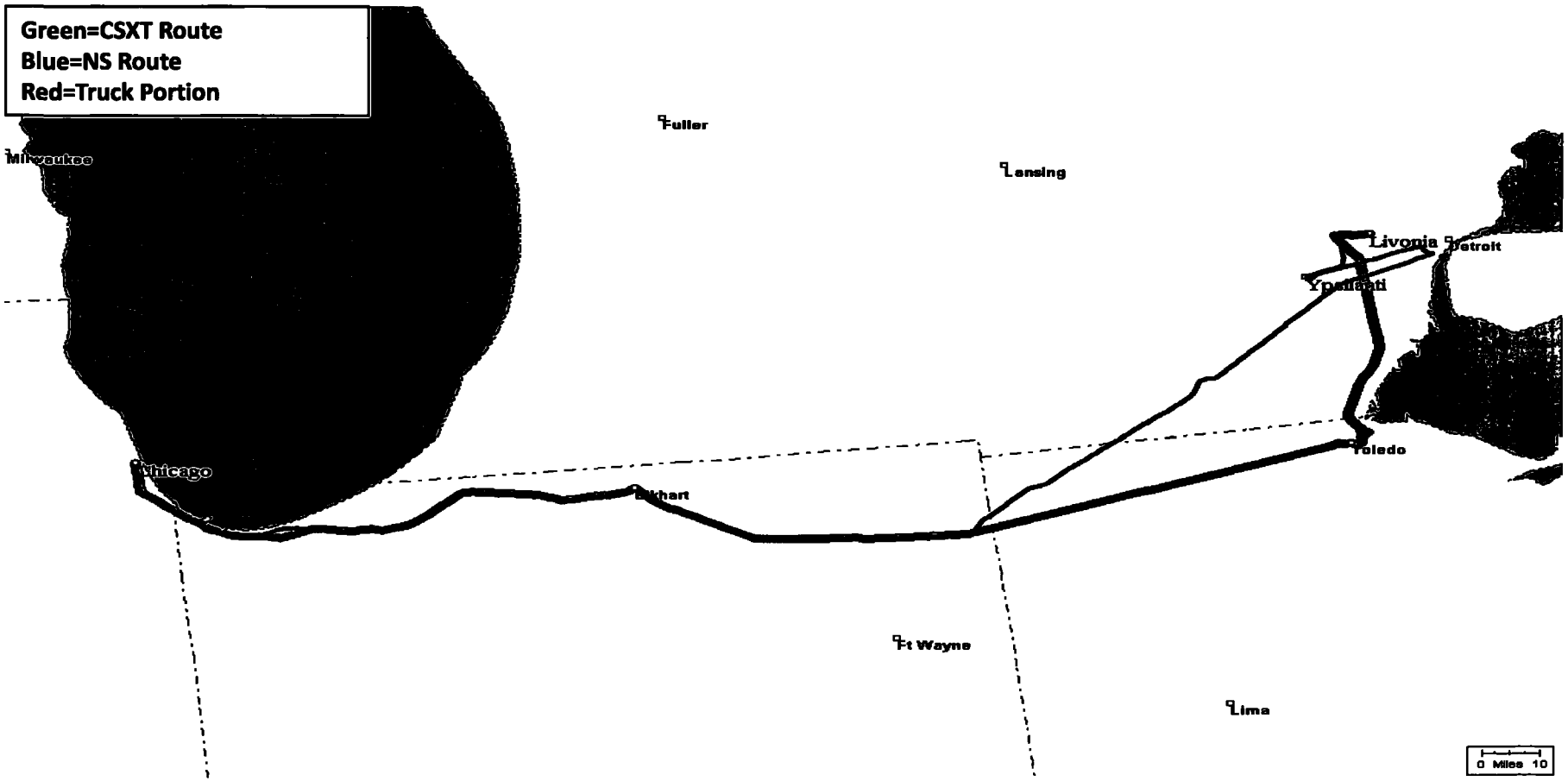
**TPI Movement Number 82: Chicago, IL – Livonia, MI**

CSXT Direct: 298 Mi

**Alternative:**

NS Rail: Chicago, IL – Ypsilanti, MI (297 Mi)

Truck: Ypsilanti, MI – Livonia, MI (20 Mi)




**CSXT Tariff Rate**: $5,494

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 83: Chicago, IL – Lockport, NY**

CSXT Direct: 553 Mi

**Alternative:**

NS Rail: Chicago, IL – Buffalo, NY (523 Mi)

Truck: Buffalo, NY – Lockport, NY (30 Mi)


**CSXT Tariff Rate**: $6,372

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

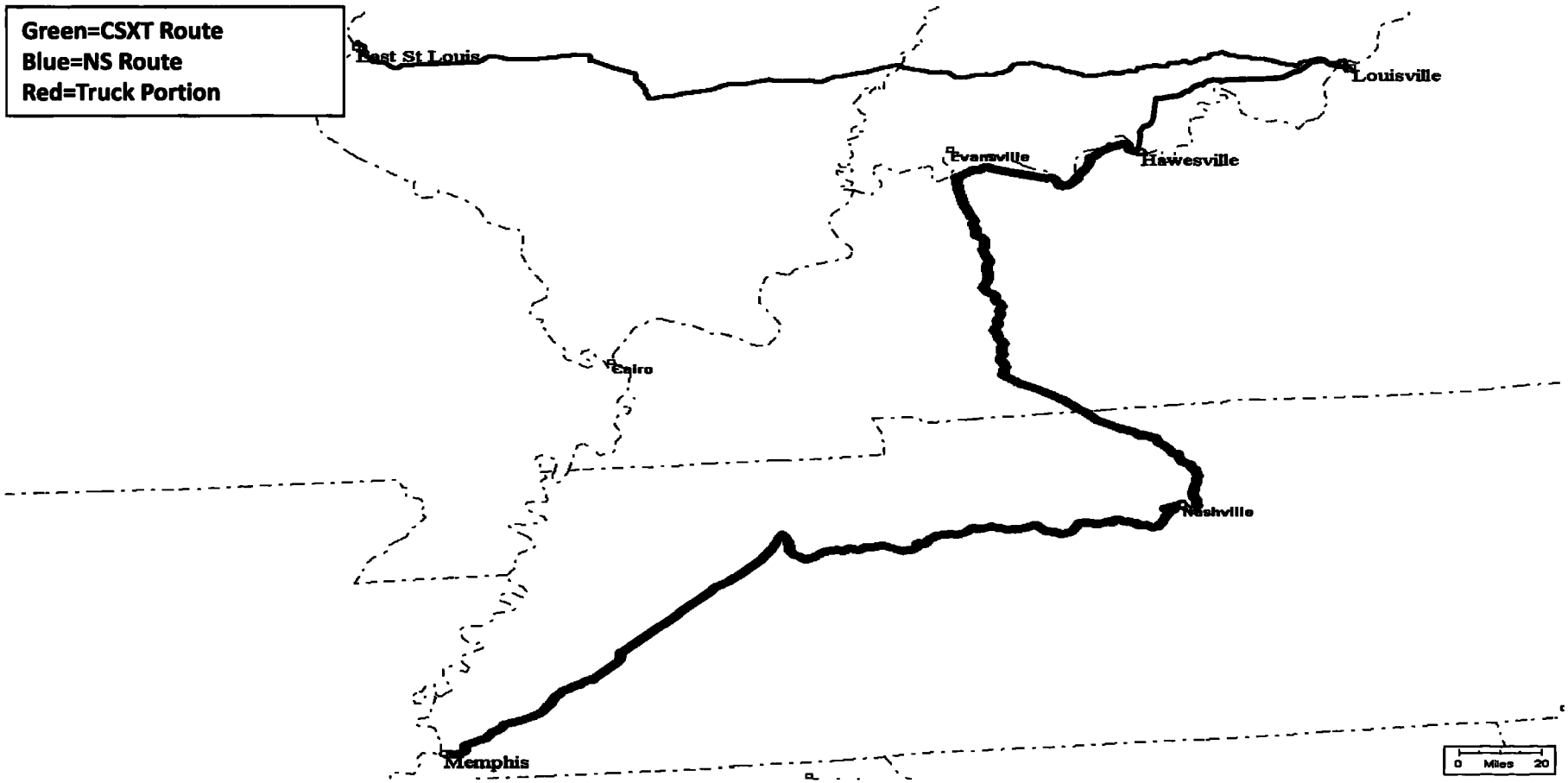
**TPI Movement Number 85: Memphis, TN – Hawesville, KY**

CSXT Direct: 432 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Buffalo, NY (280 Mi)

Truck: Buffalo, NY – Lockport, NY (78 Mi)




**CSXT Tariff Rate**: $4,874

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

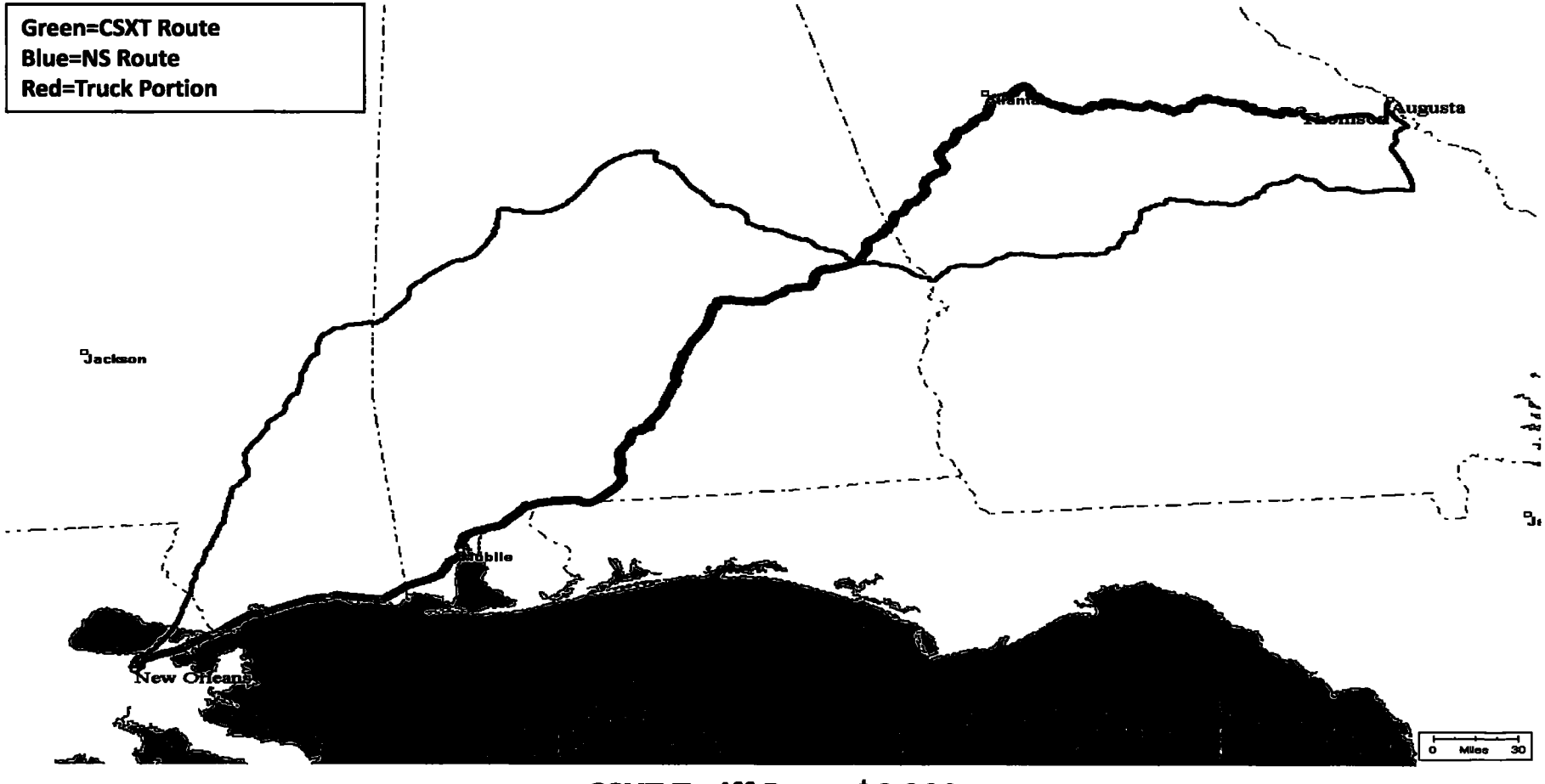
**TPI Movement Number 86: New Orleans, LA – Thomson, GA**

CSXT Direct: 626 Mi

**Alternative:**

NS Rail: New Orleans, LA – Augusta, GA (767 Mi)

Truck: Augusta, GA – Thomson, GA (33 Mi)




**CSXT Tariff Rate:** $6,989

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

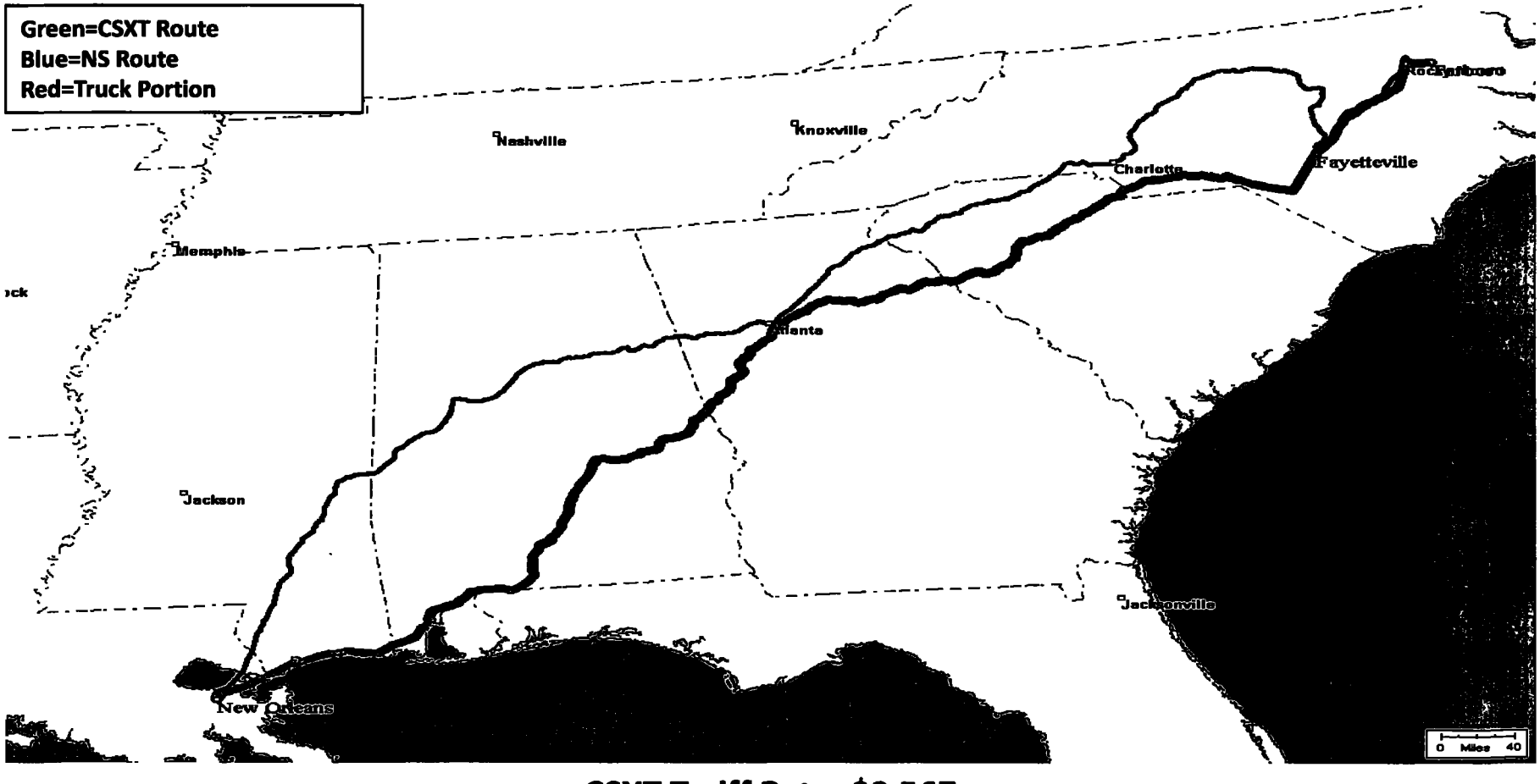
**TPI Movement Number 87: New Orleans, LA – Tarboro, NC**

CSXT Direct: 983 Mi

**Alternative:**

NS Rail: New Orleans, LA – Fayetteville, NC (AR) (1,010 Mi)

Truck: Fayetteville, NC – Tarboro, NC (112 Mi)




**CSXT Tariff Rate:** $8,567

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

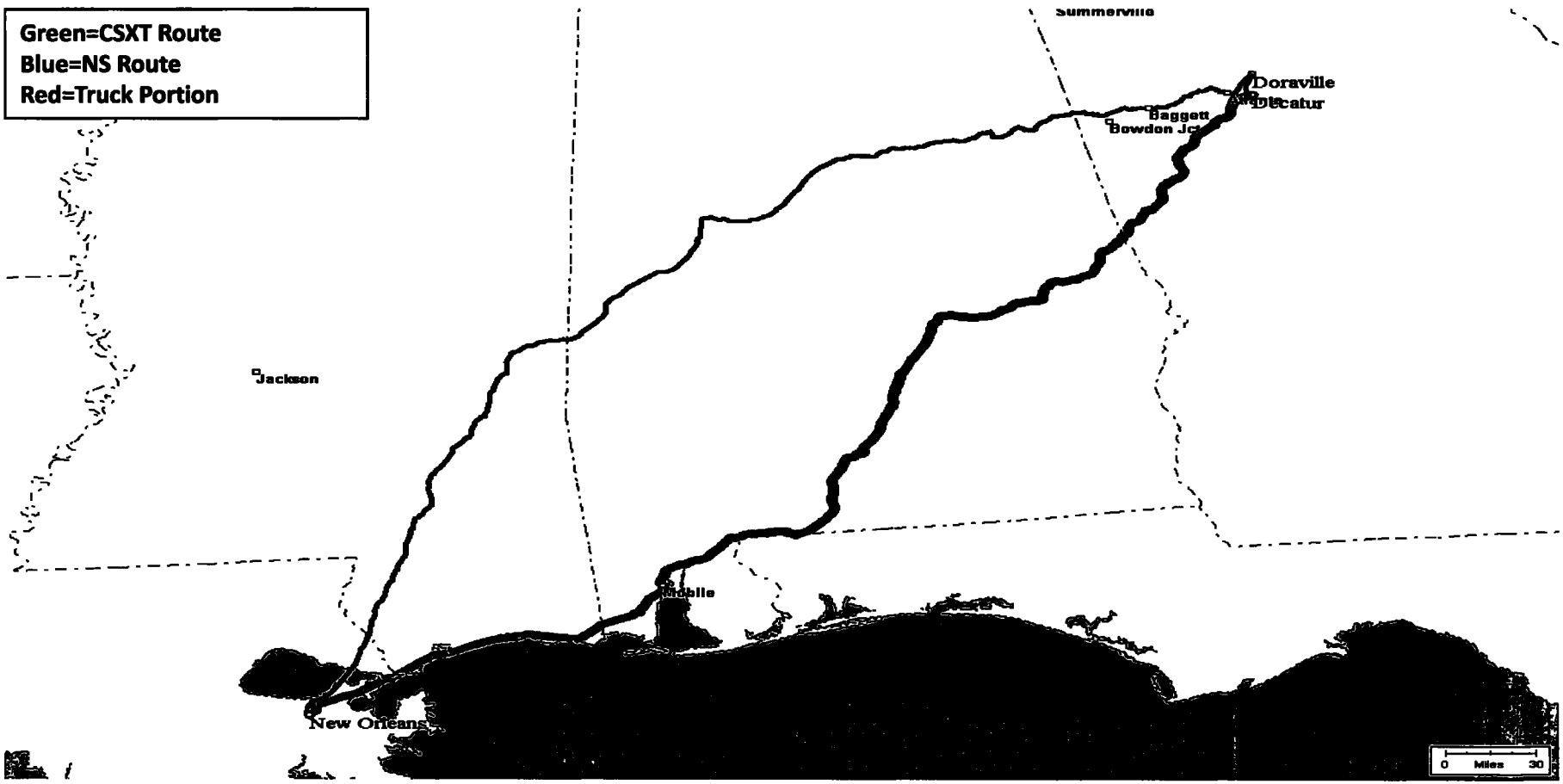
**TPI Movement Number 88: New Orleans, LA – Decatur, GA**

CSXT Direct: 501 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Decatur, GA (10 Mi)




**CSXT Tariff Rate:** $5,941

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

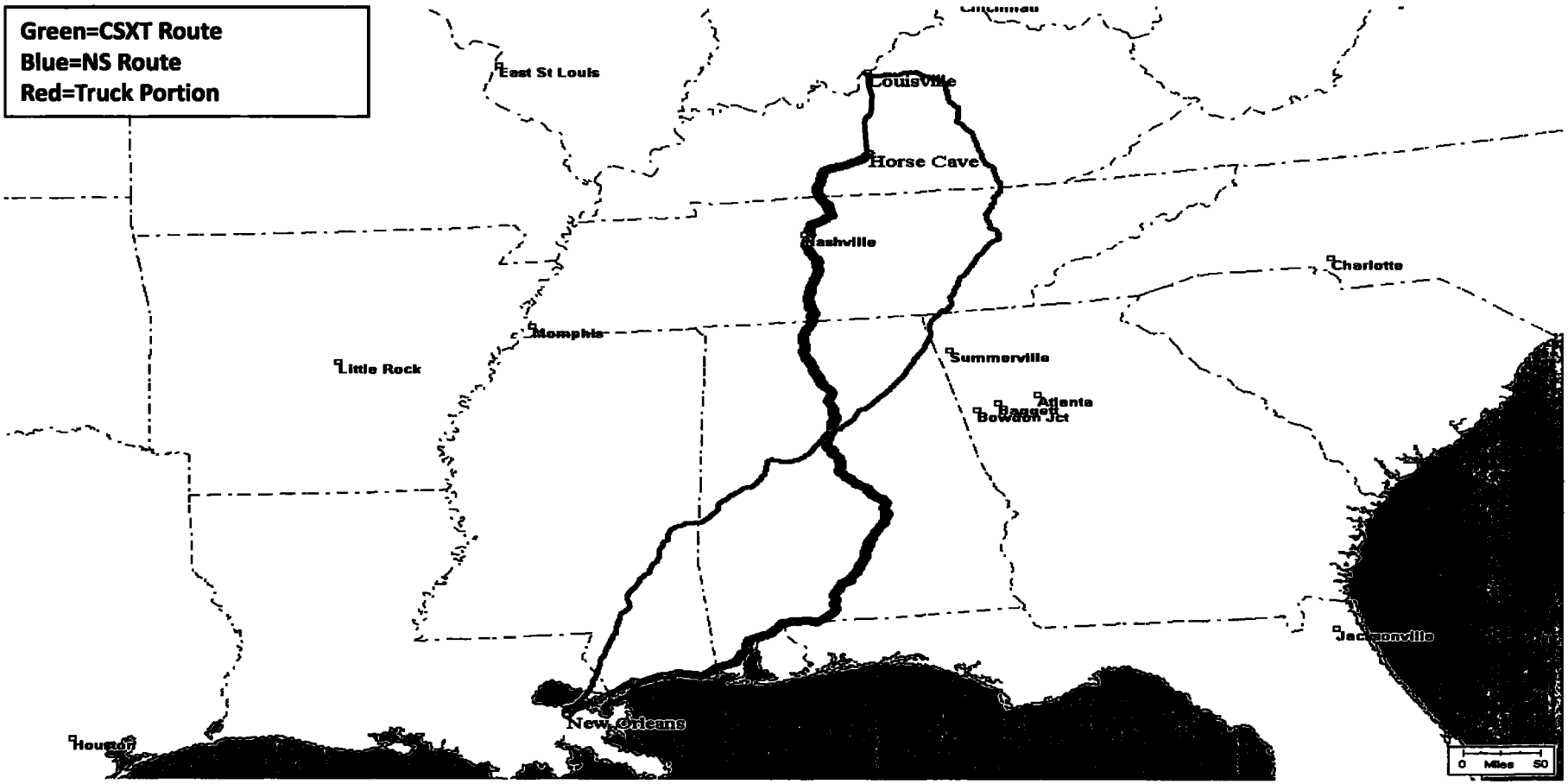
**TPI Movement Number 89: New Orleans, LA – Horse Cave, KY**

CSXT Direct: 726 Mi

**Alternative:**

NS Rail: New Orleans, LA – Louisville, KY (804 Mi)

Truck: Louisville, KY – Horse Cave, KY (81 Mi)




**CSXT Tariff Rate:** $7,713

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

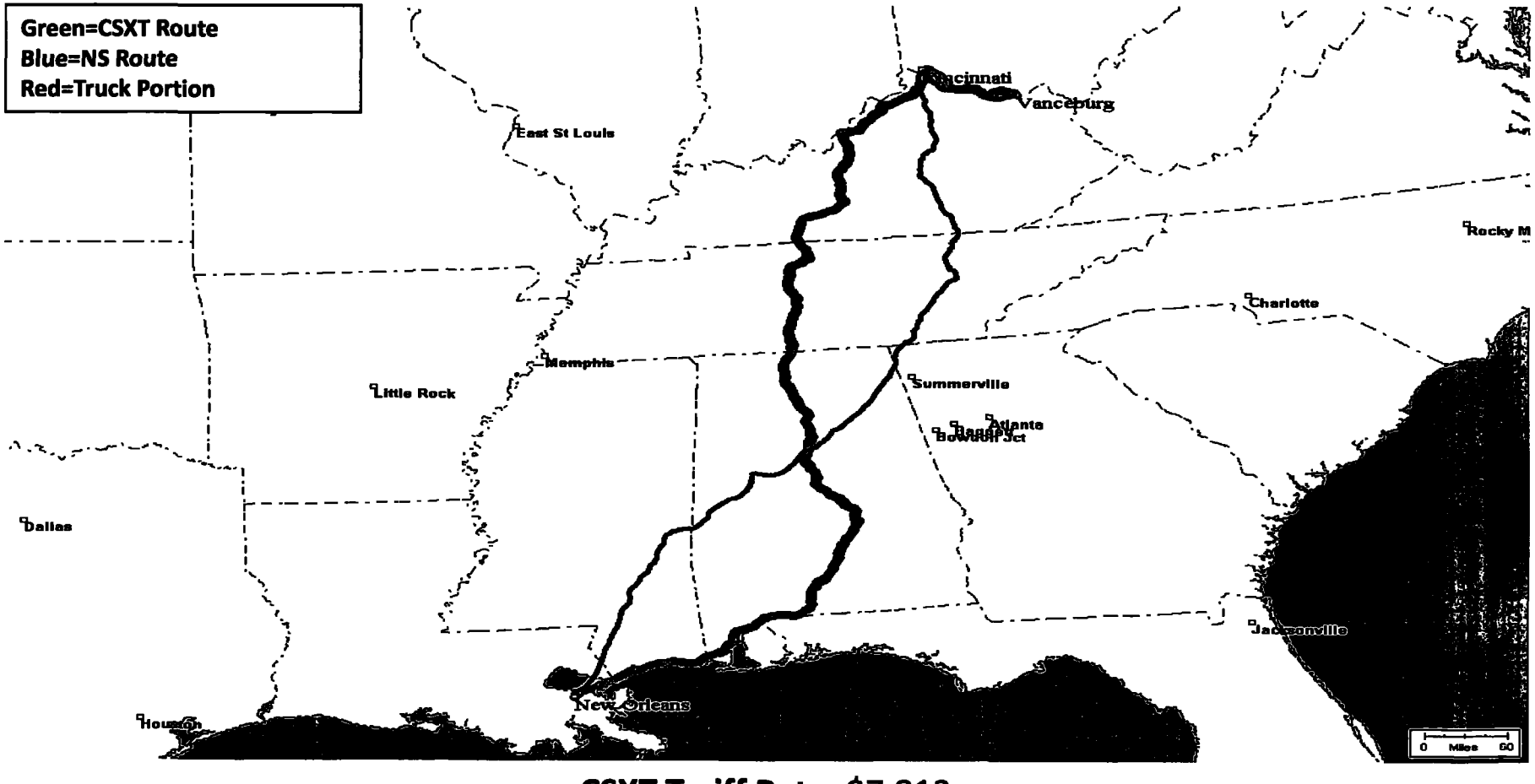
**TPI Movement Number 90: New Orleans, LA – Vanceburg, KY**

CSXT Direct: 978 Mi

**Alternative:**

NS Rail: New Orleans, LA – Cincinnati, OH (829 Mi)

Truck: Cincinnati, OH – Vanceburg, KY (94 Mi)




**CSXT Tariff Rate:** $7,813

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

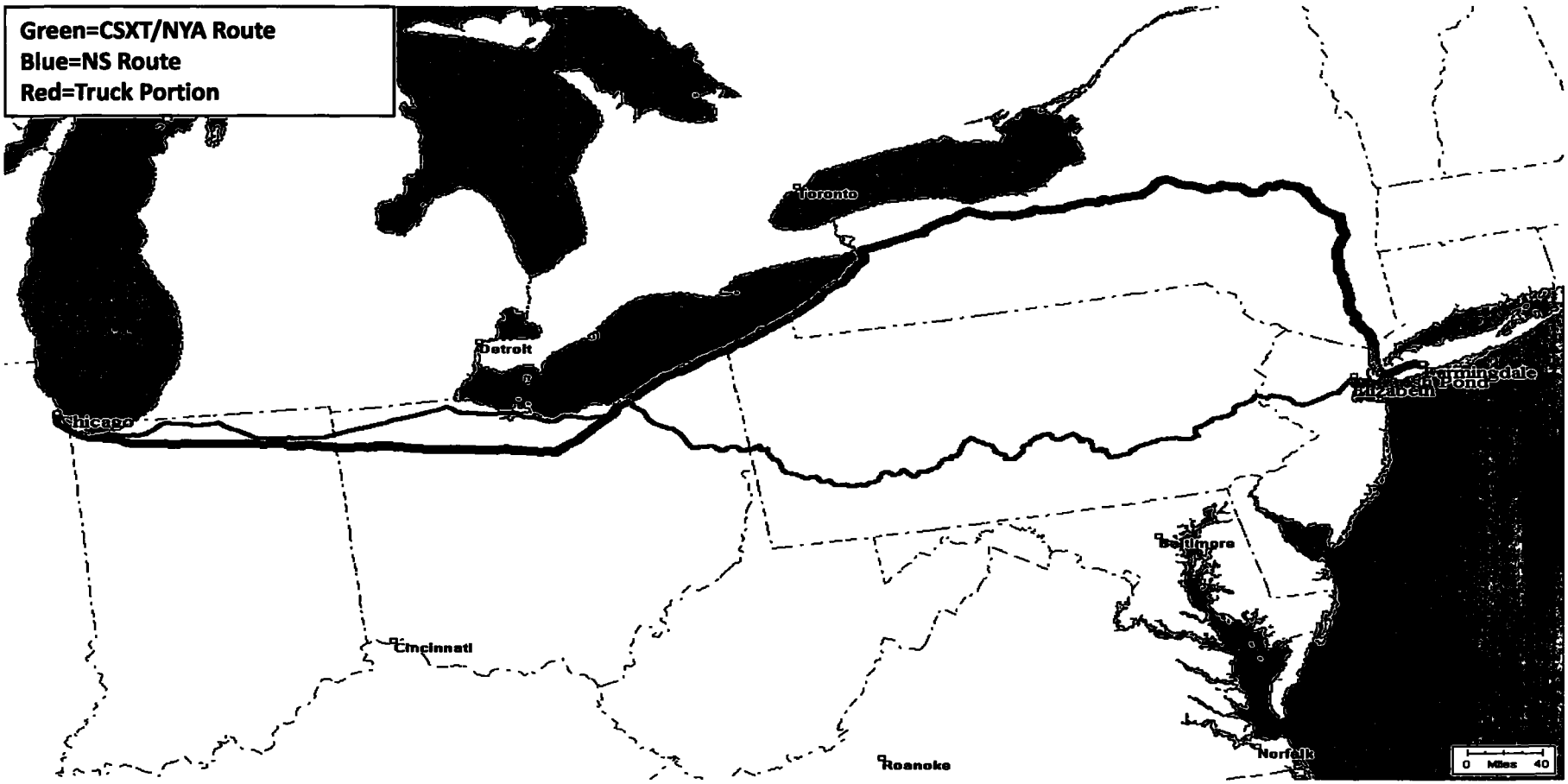
**TPI Movement Number 92: Chicago, IL – Farmingdale, NY**

Chicago-CSXT-Fresh Pond, NJ-NYA-Farmingdale: 956 Mi

**Alternative:**

NS Rail: Chicago, IL – Elizabeth, NJ (910 Mi)

Truck: Elizabeth, NJ – Farmingdale, NY (52 Mi)




**CSXT Tariff Rate**: $8,593

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

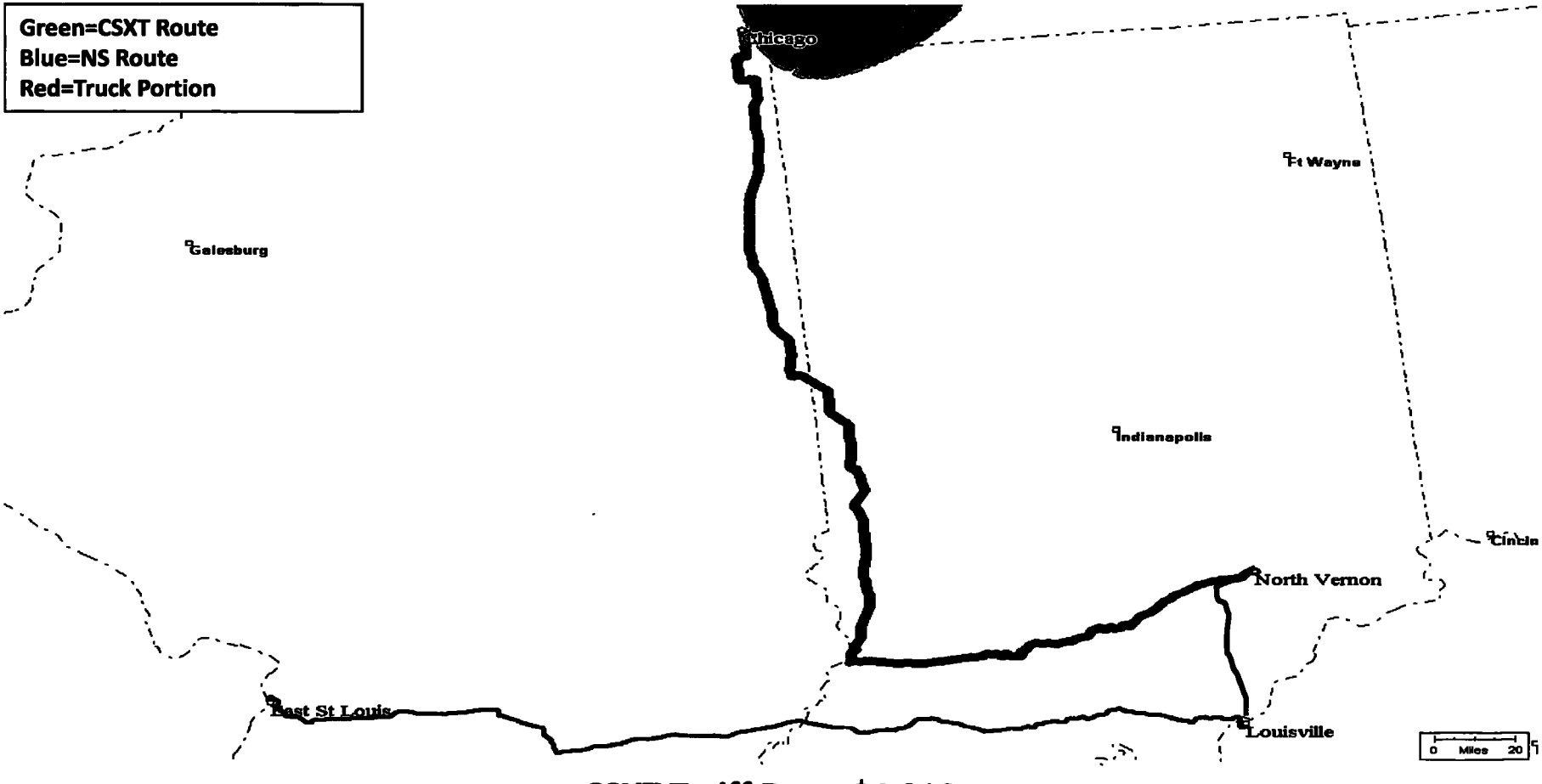
**TPI Movement Number 93: Chicago, IL – North Vernon, IN**

CSXT Direct: 270 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Louisville, KY (280 Mi)

Truck: Louisville, KY – North Vernon, IN (65 Mi)




**CSXT Tariff Rate**: $4,010

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

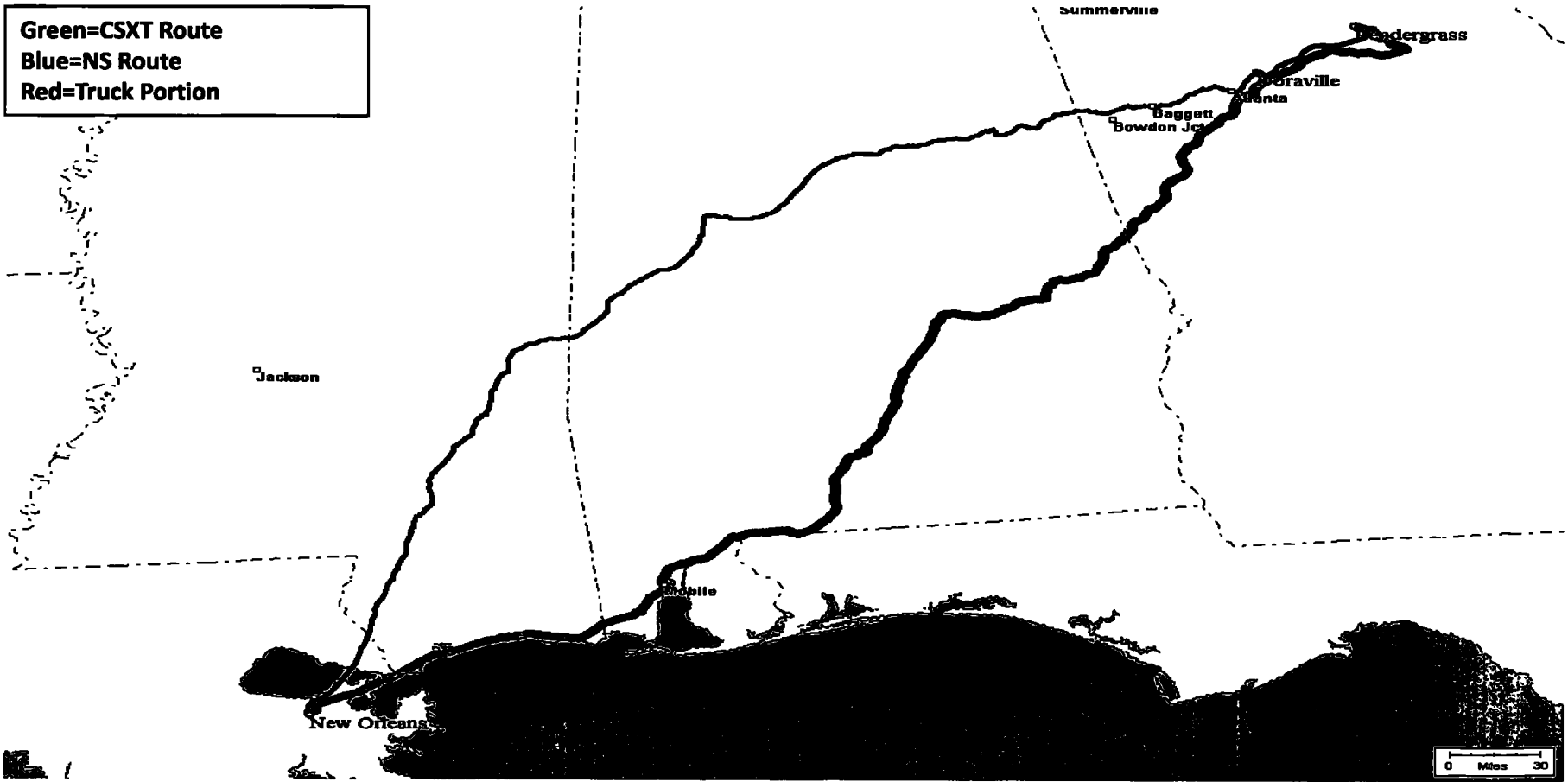
**TPI Movement Number 94: New Orleans, LA – Pendergrass, GA**

CSXT Direct: 586 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Pendergrass, GA (45 Mi)




**CSXT Tariff Rate**: $5,958

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

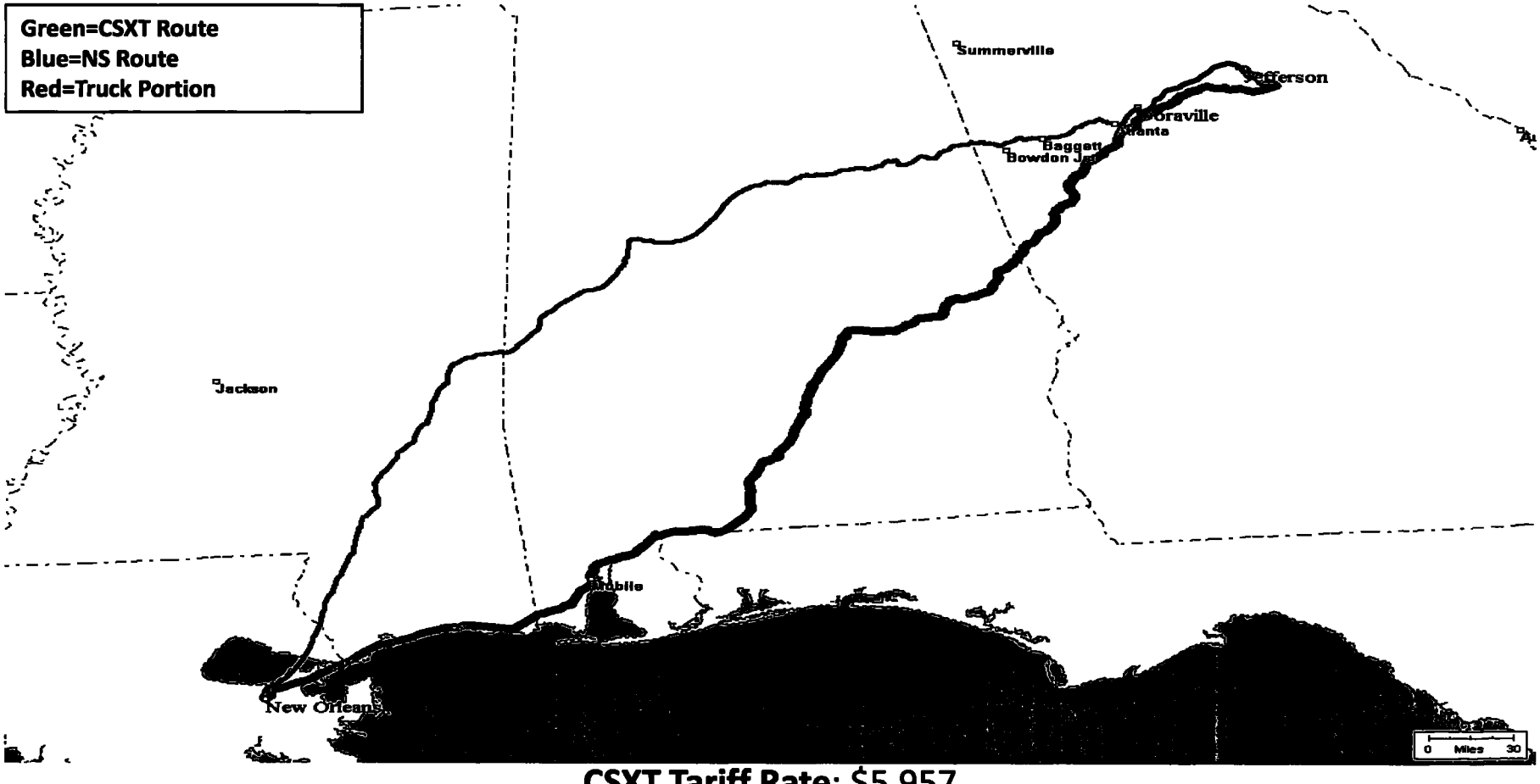
**TPI Movement Number 97: New Orleans, LA – Jefferson, GA**

CSXT Direct: 579 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Jefferson, GA (50 Mi)




**CSXT Tariff Rate:** $5,957

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

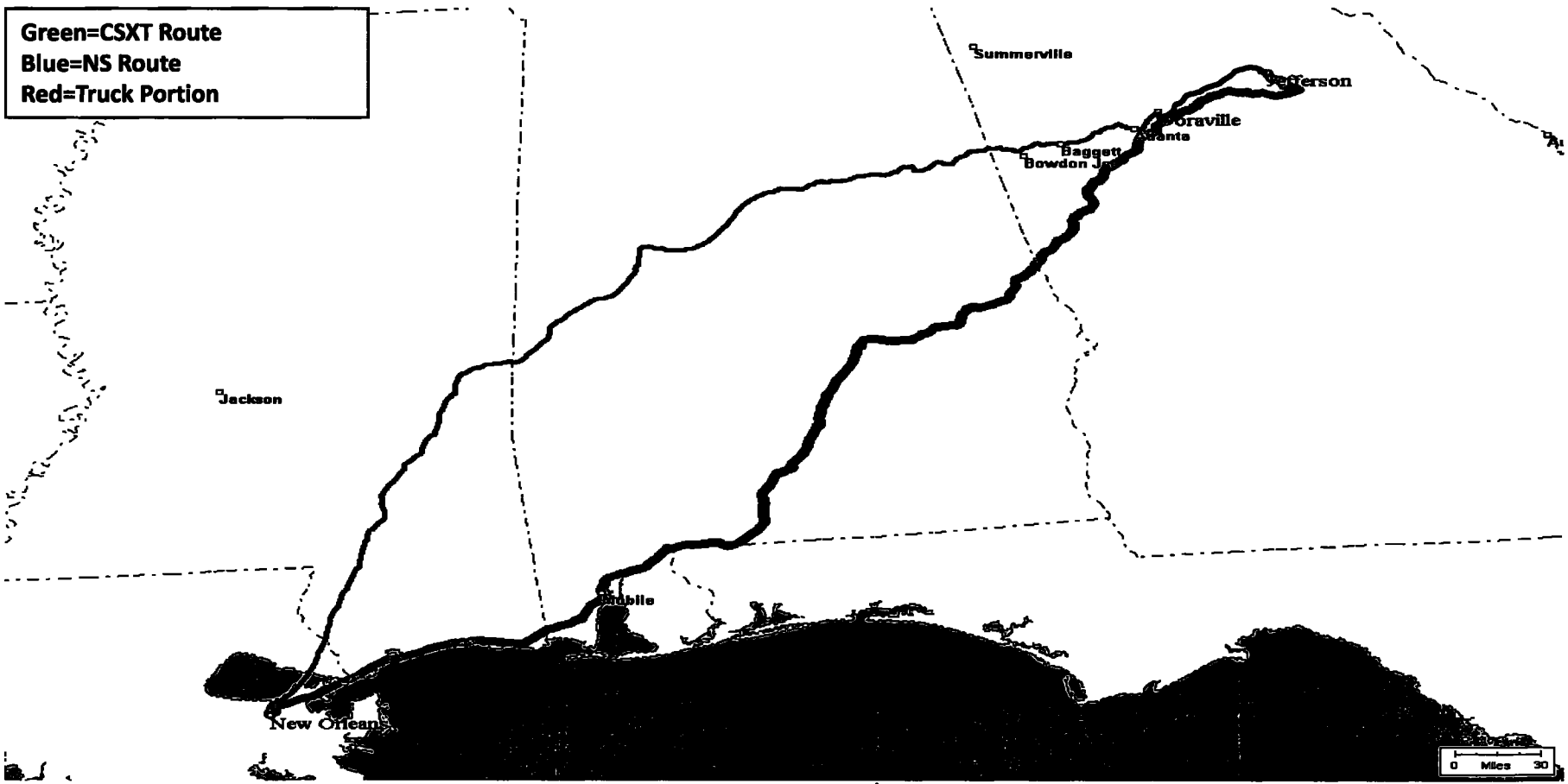
**TPI Movement Number 98: New Orleans, LA – Jefferson, GA**

CSXT Direct: 579 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Jefferson, GA (50 Mi)




**CSXT Tariff Rate**: $5,957

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

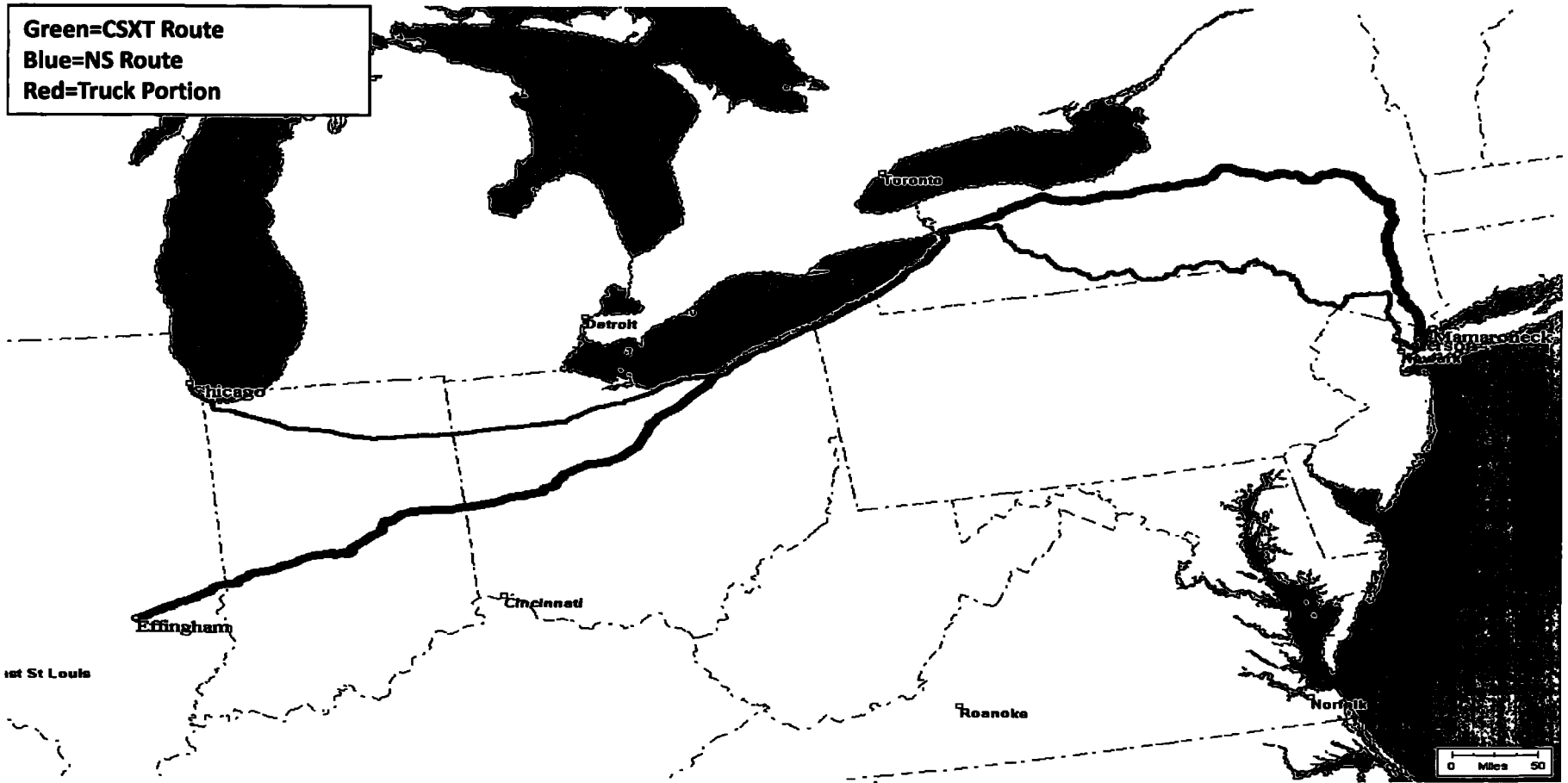
**TPI Movement Number 99: Effingham, IL – Mamaroneck, NY**

CSXT Direct: 1,049 Mi

**Alternative:**

NS Rail: Chicago, IL – Paterson, NJ (936 Mi)

Truck: Paterson, NJ – Mamaroneck, NY (34 Mi)




**CSXT Tariff Rate:** $8,286

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

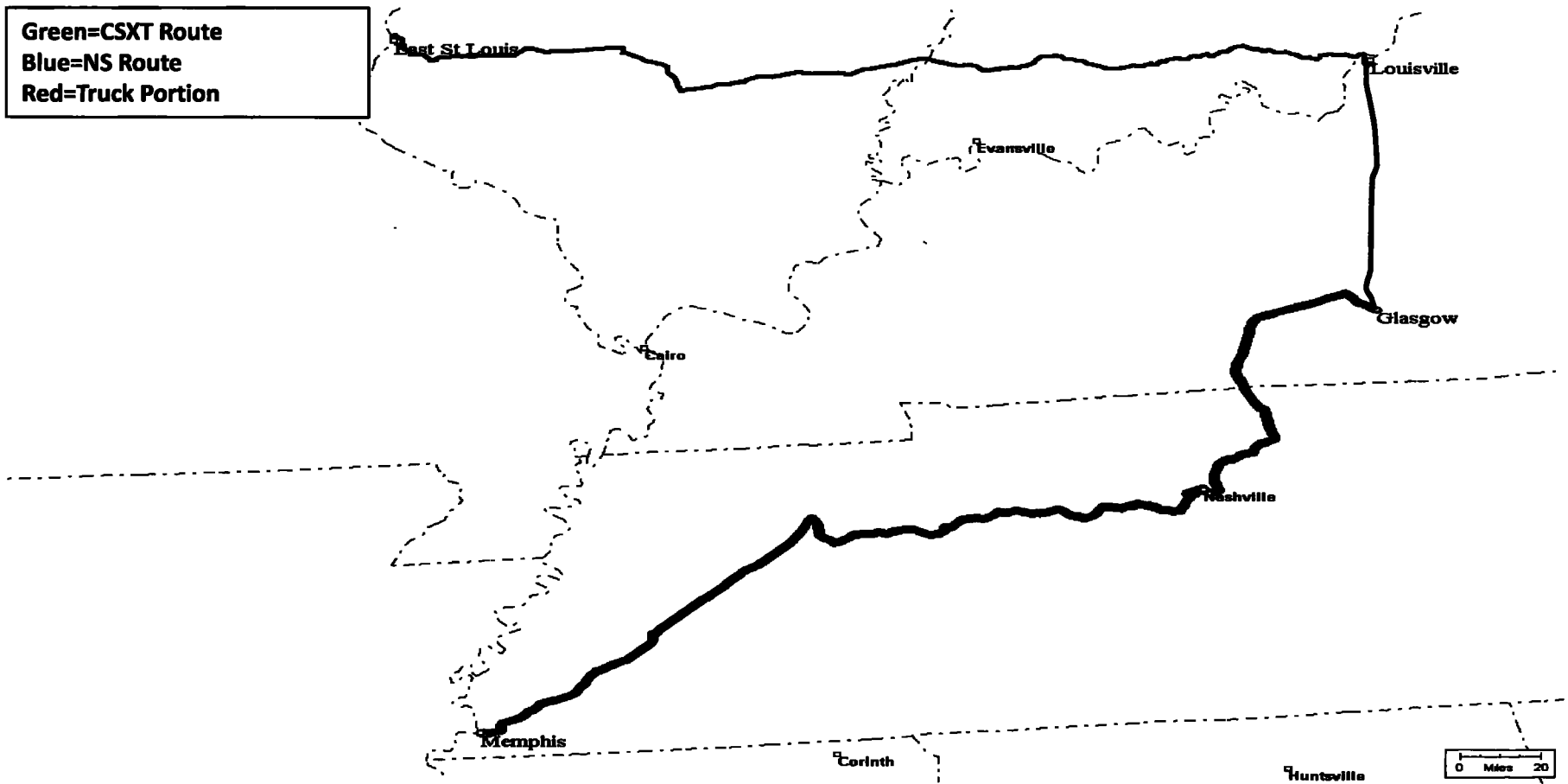
**TPI Movement Number 101: Memphis, TN – Glasgow, KY**

CSXT Direct: 337 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Louisville, KY (280 Mi)

Truck: Louisville, KY – Glasgow, KY (96 Mi)




**CSXT Tariff Rate:** $5,027

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

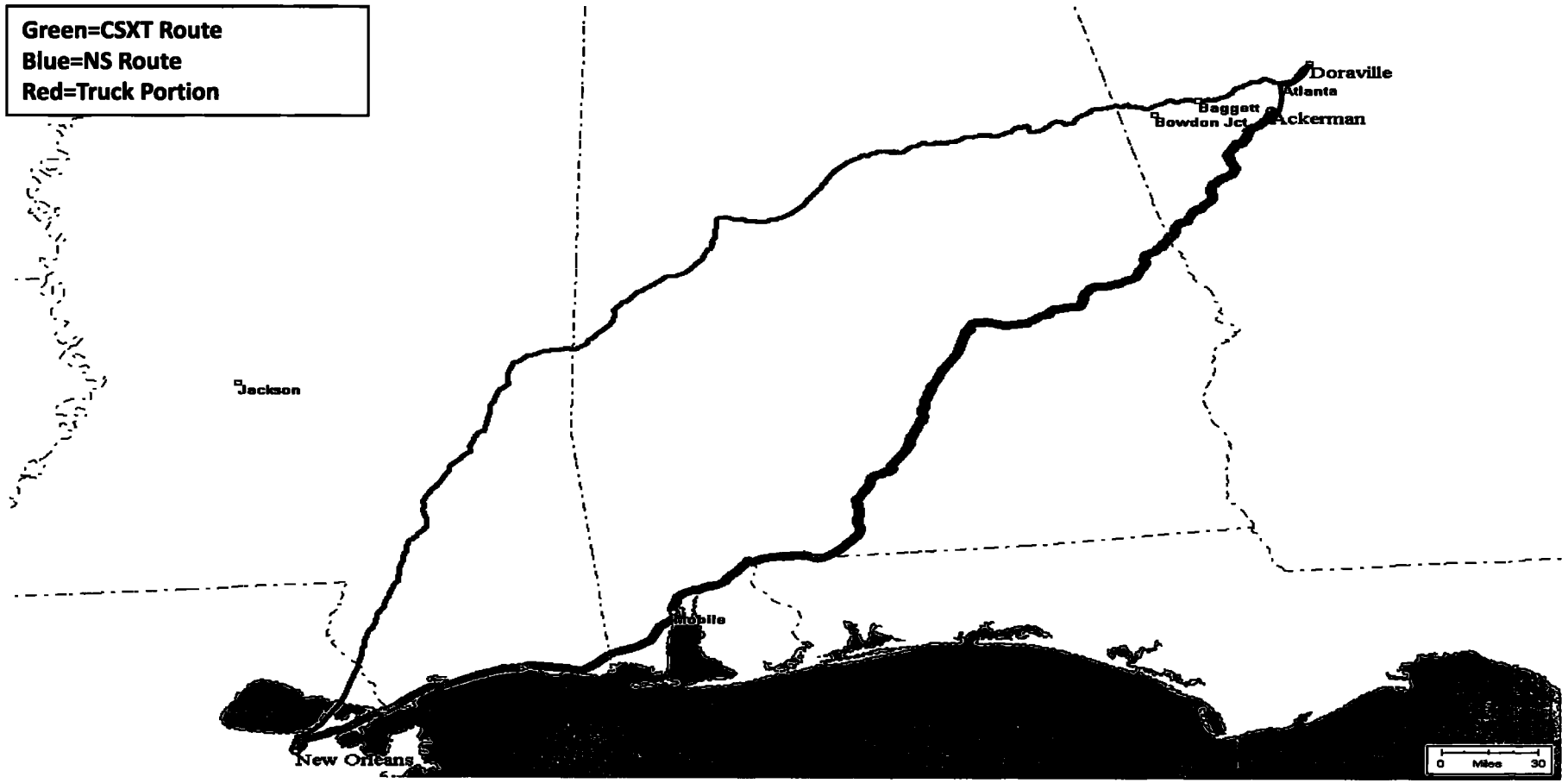
**TPI Movement Number 102: New Orleans, LA – Ackerman, GA**

CSXT Direct: 483 Mi

**Alternative:**

NS Rail: New Orleans, LA – Doraville, GA (530 Mi)

Truck: Doraville, GA – Ackerman, GA (36 Mi)




**CSXT Tariff Rate:** $5,938

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

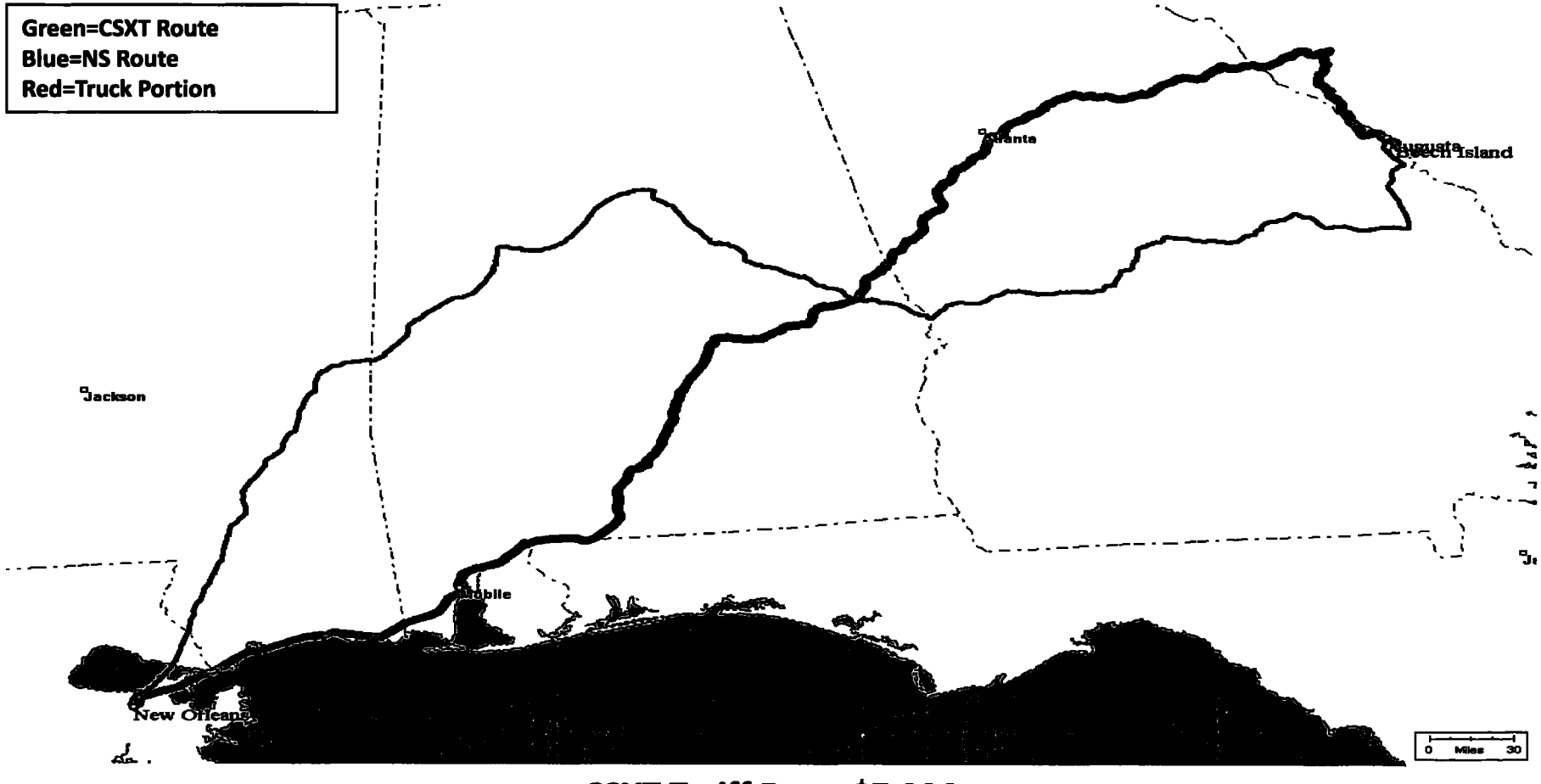
**TPI Movement Number 103: New Orleans, LA – Beech Island, SC**

CSXT Direct: 669 Mi

**Alternative:**

NS Rail: New Orleans, LA – Augusta, GA (767 Mi)

Truck: Augusta, GA – Beech Island, SC (9 Mi)




**CSXT Tariff Rate:** $7,006

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

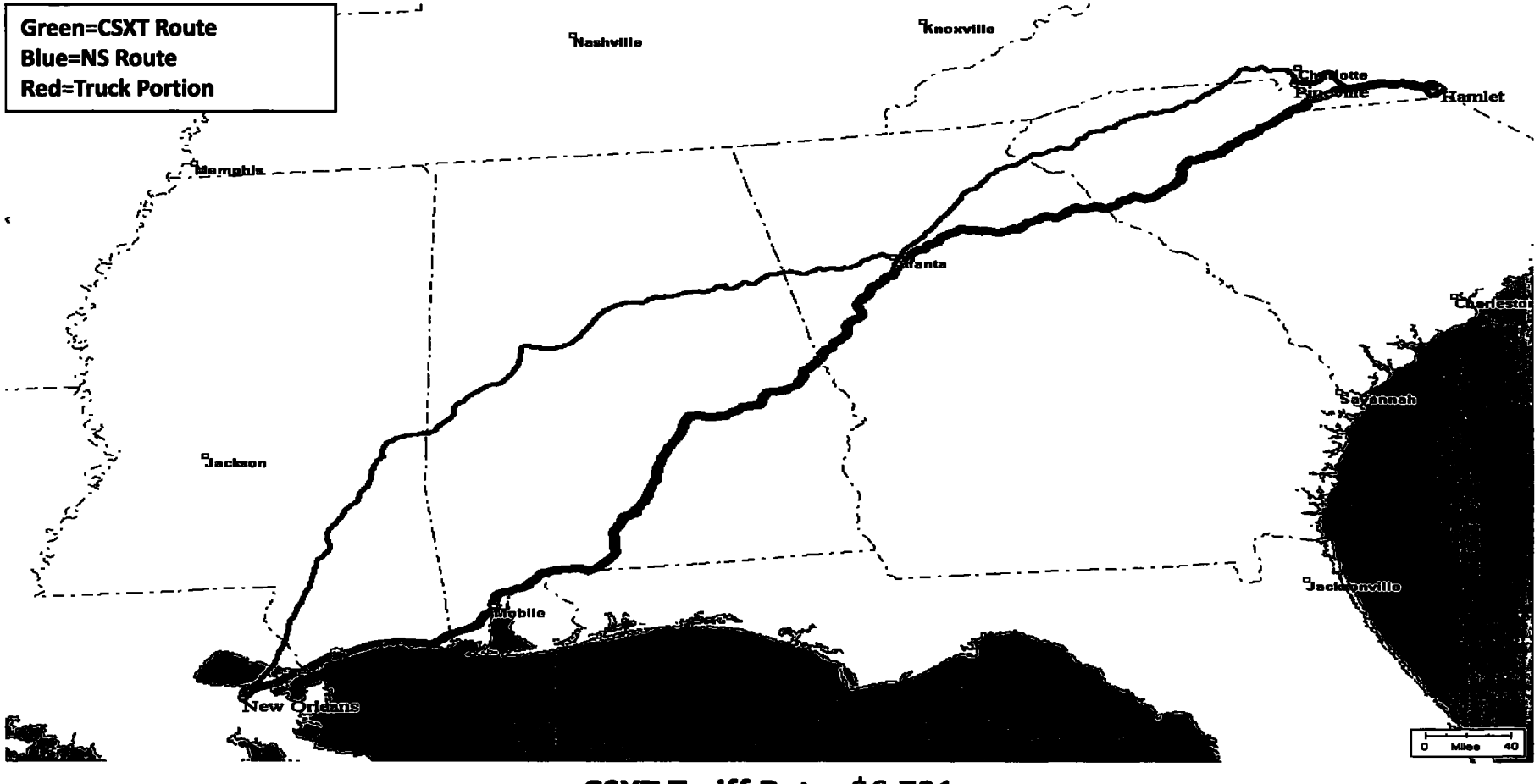
**TPI Movement Number 105: New Orleans, LA – Hamlet, NC**

CSXT Direct: 816 Mi

**Alternative:**

NS Rail: New Orleans, LA – Pineville, NC (783 Mi)

Truck: Pineville, NC – Hamlet, NC (80 Mi)




**CSXT Tariff Rate:** $6,721

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

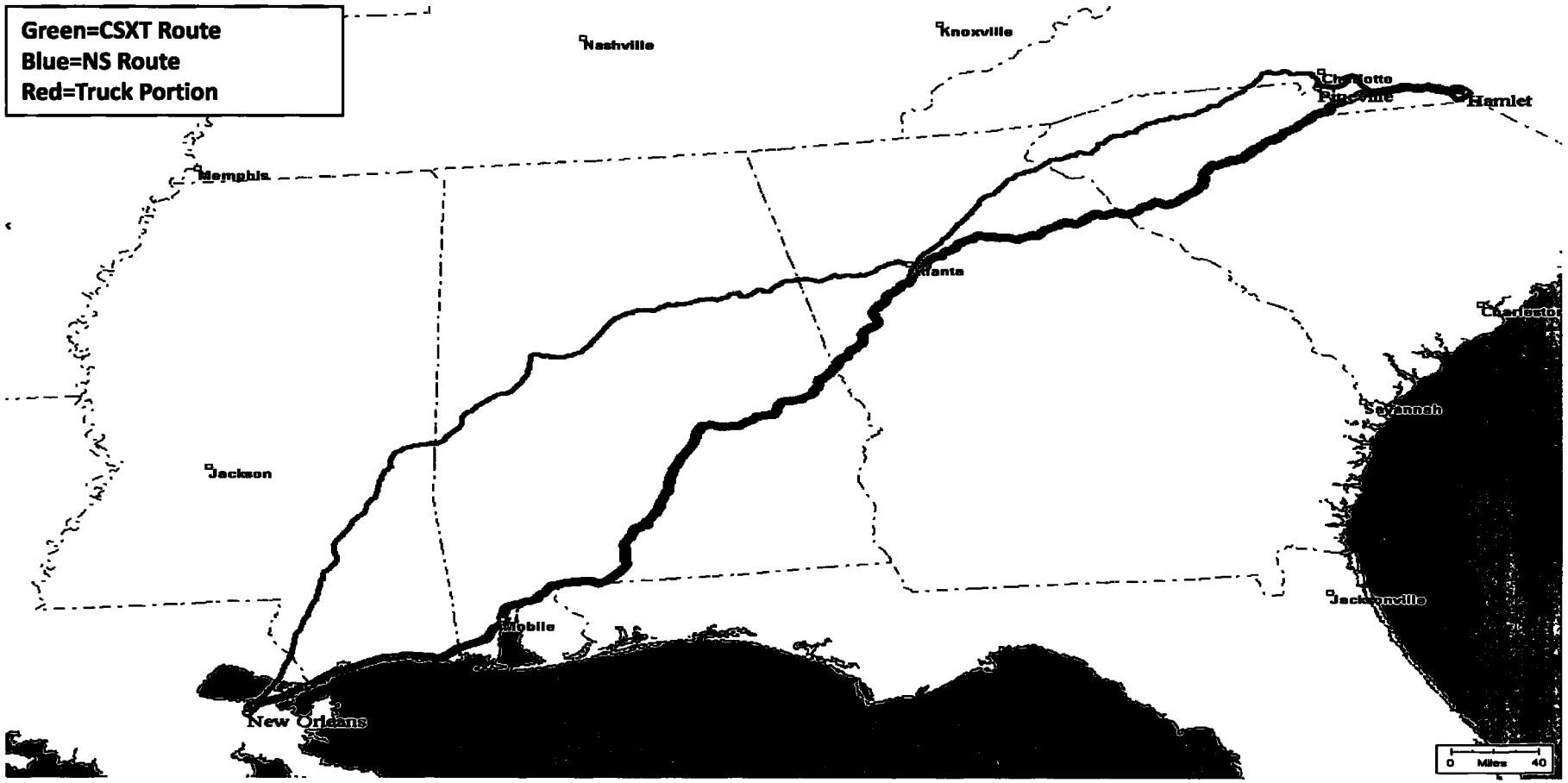
**TPI Movement Number 106: New Orleans, LA – Hamlet, NC**

CSXT Direct: 816 Mi

**Alternative:**

NS Rail: New Orleans, LA – Pineville, NC (783 Mi)

Truck: Pineville, NC – Hamlet, NC (80 Mi)




**CSXT Tariff Rate**: $6,721

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

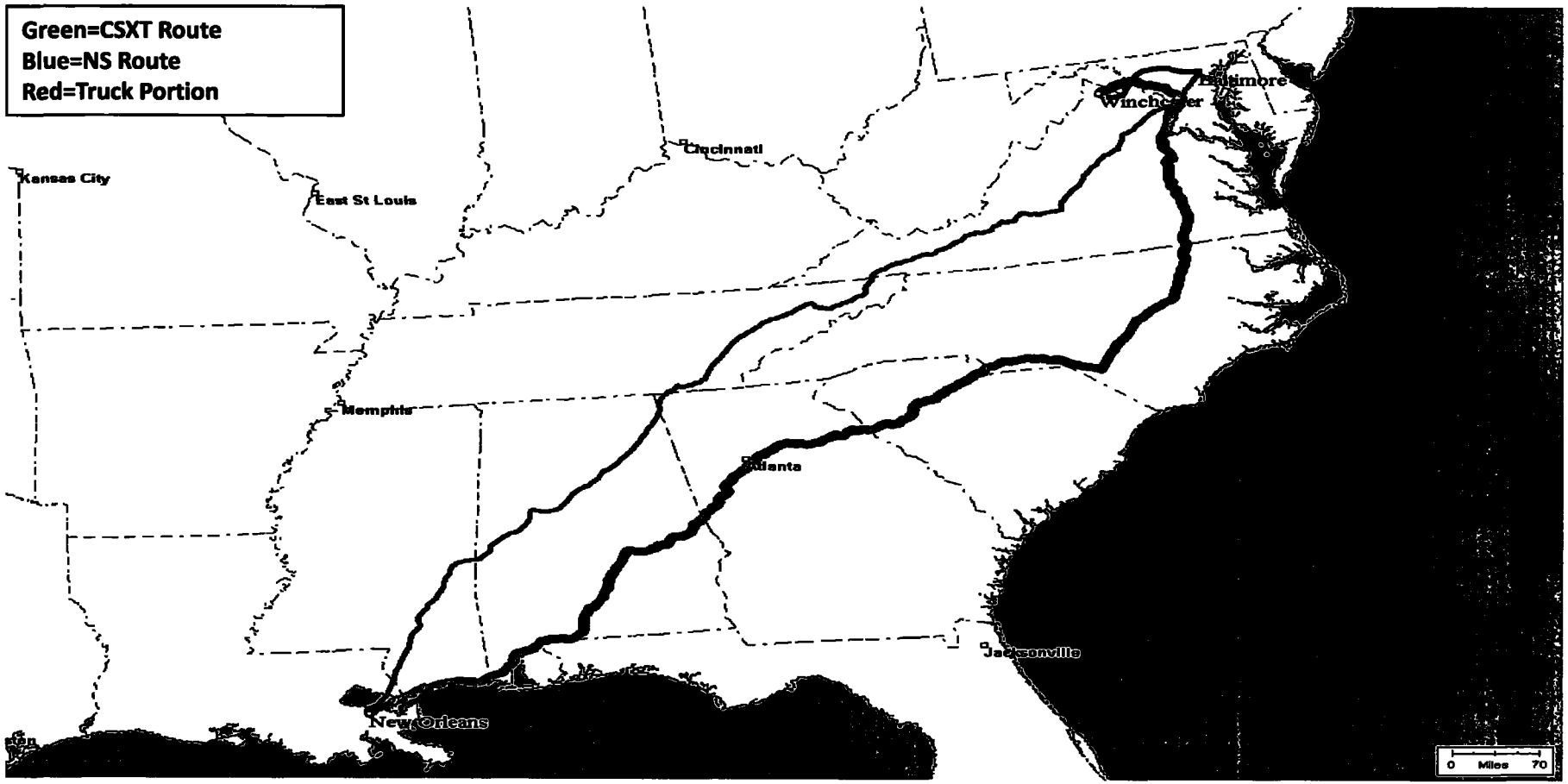
**TPI Movement Number 107: New Orleans, LA – Winchester, VA**

CSXT Direct: 1,293 Mi

**Alternative:**

NS Rail: New Orleans, LA – Baltimore, MD (1,157 Mi)

Truck: Baltimore, MD – Winchester, VA (99 Mi)




**CSXT Tariff Rate**: $9,292

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

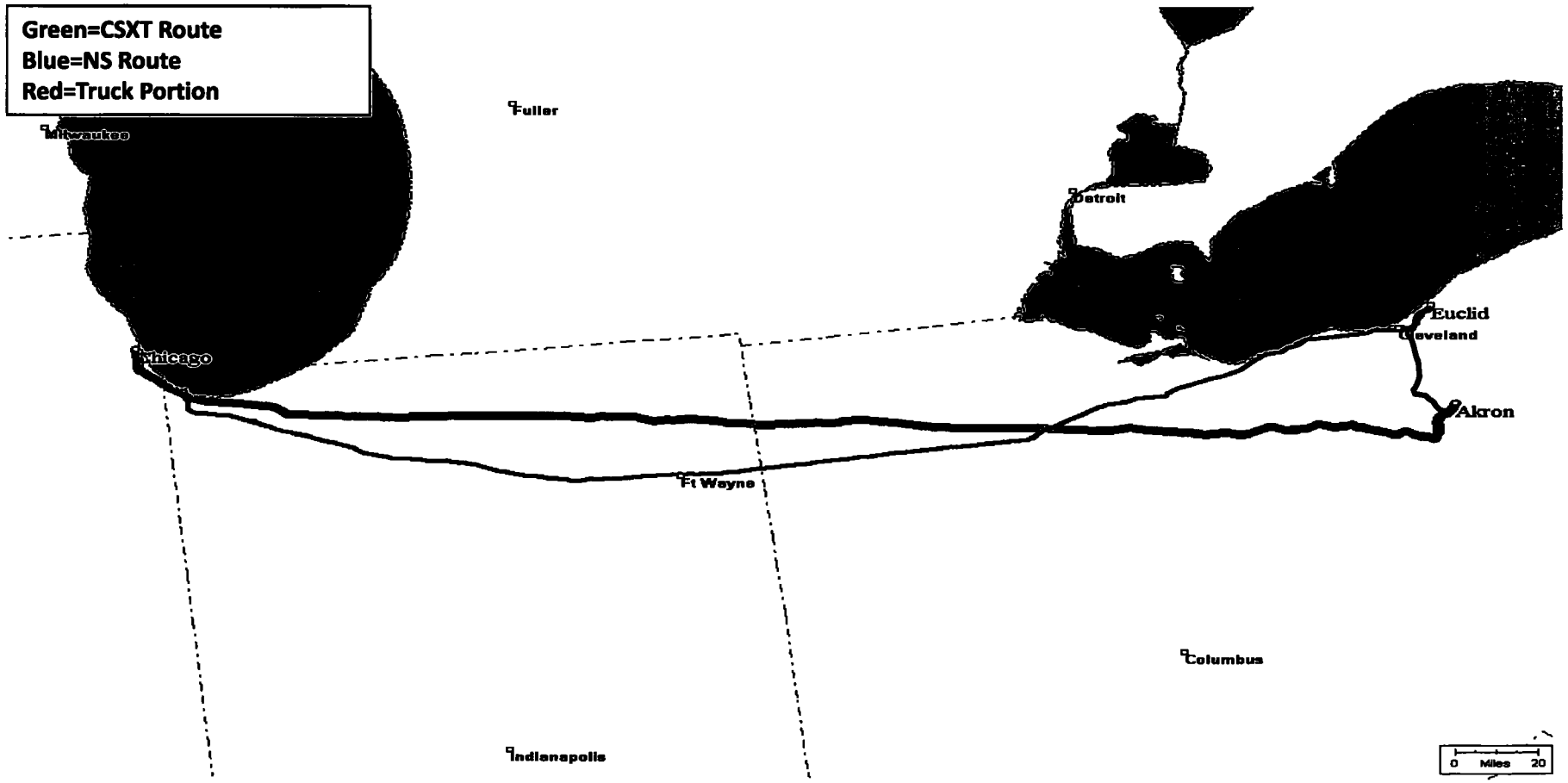
**TPI Movement Number 108*: Chicago, IL – Akron, OH**

CSXT Direct: 345 Mi

**Alternative:**

NS Rail: Chicago, IL – Euclid, OH (352 Mi)

Truck: Euclid, OH – Akron, OH (44 Mi)




**CSXT Tariff Rate**: $4,912

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Rail Competitive Option

**PUBLIC VERSION**

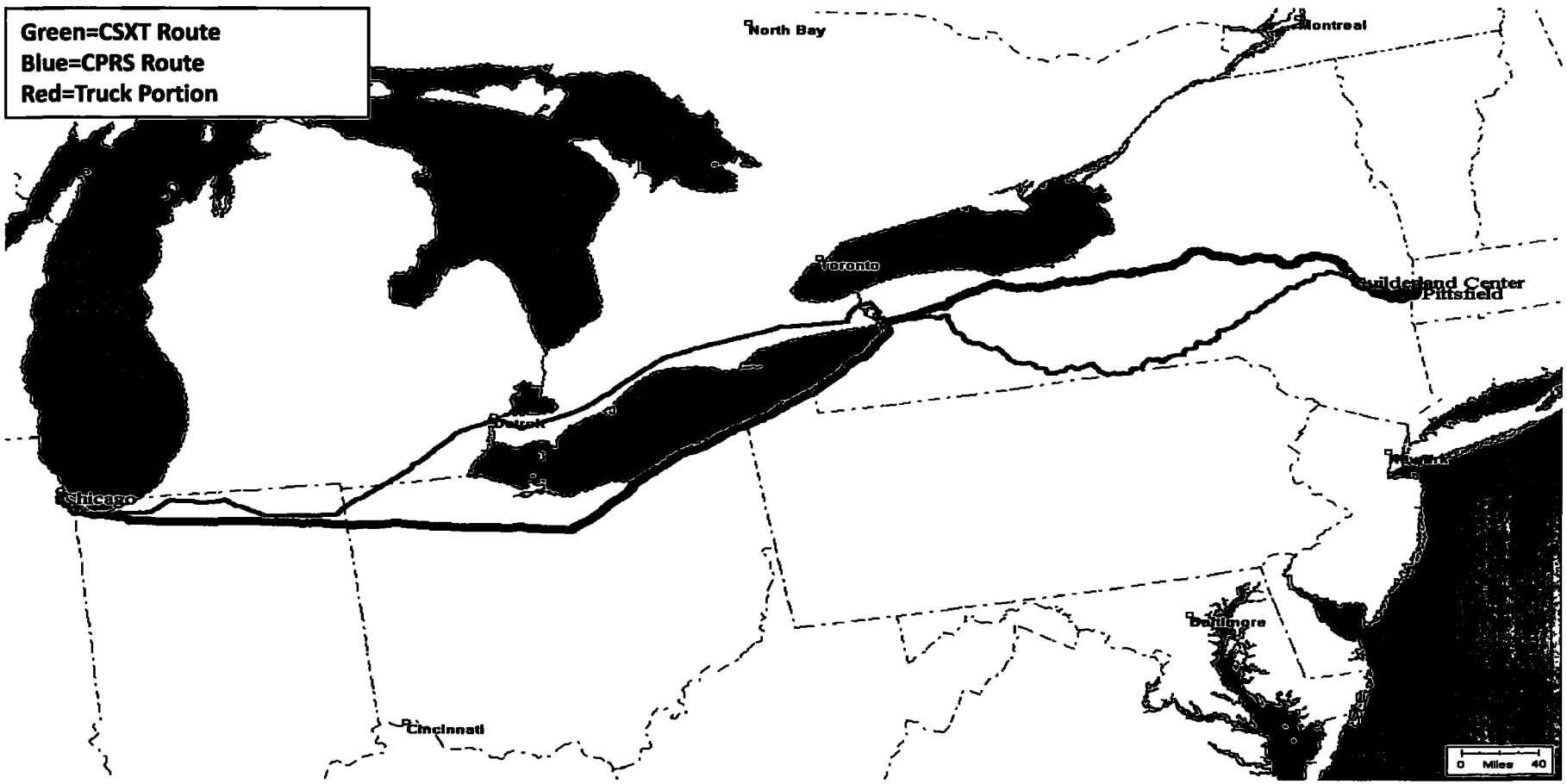
**TPI Movement Number 111: Chicago, IL – Pittsfield, MA**

CSXT Direct: 860 Mi

**Alternative:**

CPRS Rail: Chicago, IL – Guilderland Center, NY (883 Mi)

Truck: Guilderland Center, NY –Pittsfield, MA (52 Mi)




**CSXT Tariff Rate**: $8,362

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

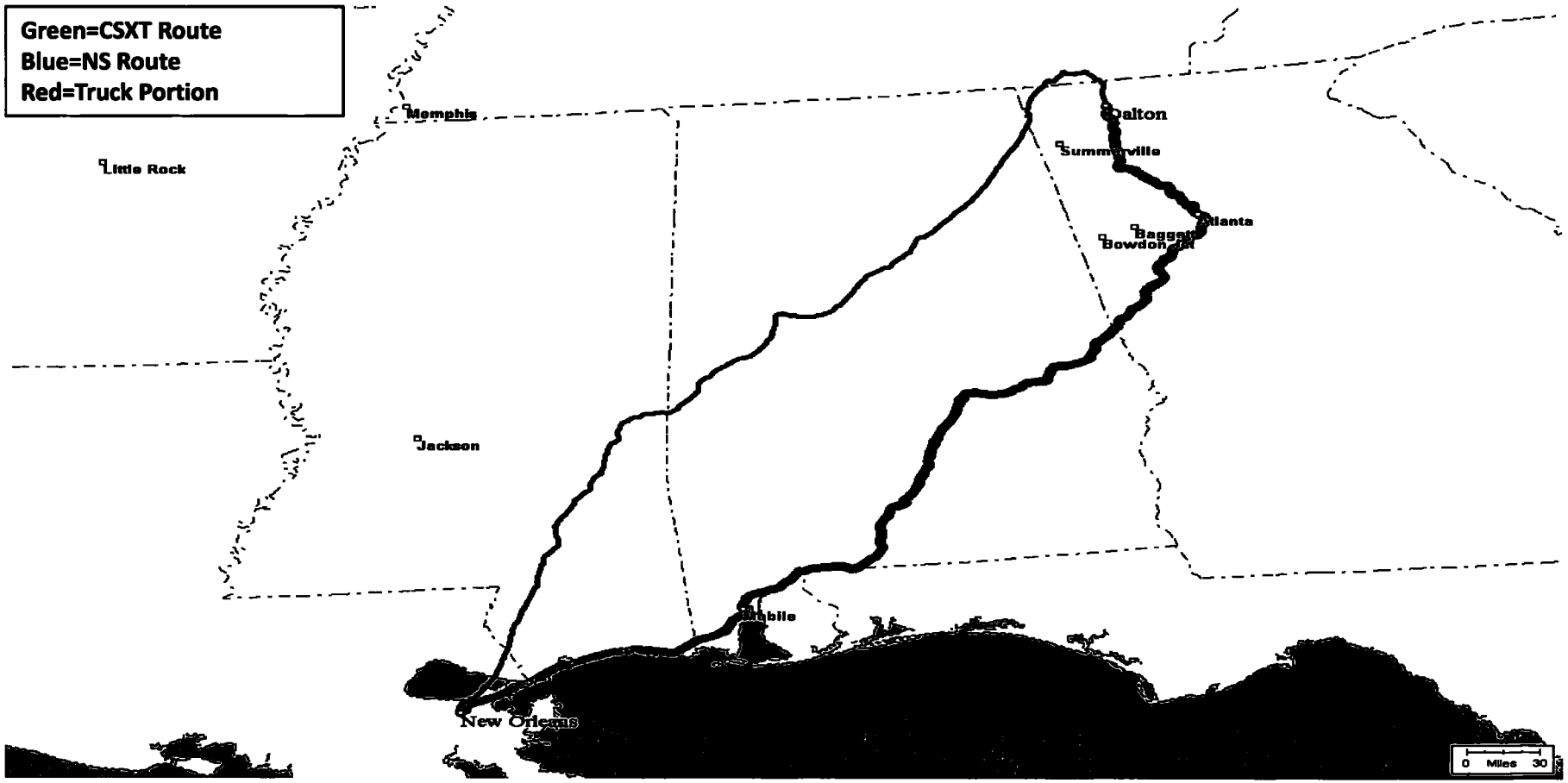
**TPI Movement Number 112: New Orleans, LA – Dalton, GA**

CSXT Direct: 593 Mi

**Alternative:**

NS Rail: New Orleans, LA – Dalton, GA (593 Mi)

Truck: Dalton, GA – Dalton, GA (5 Mi)




**CSXT Tariff Rate**: $5,800

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

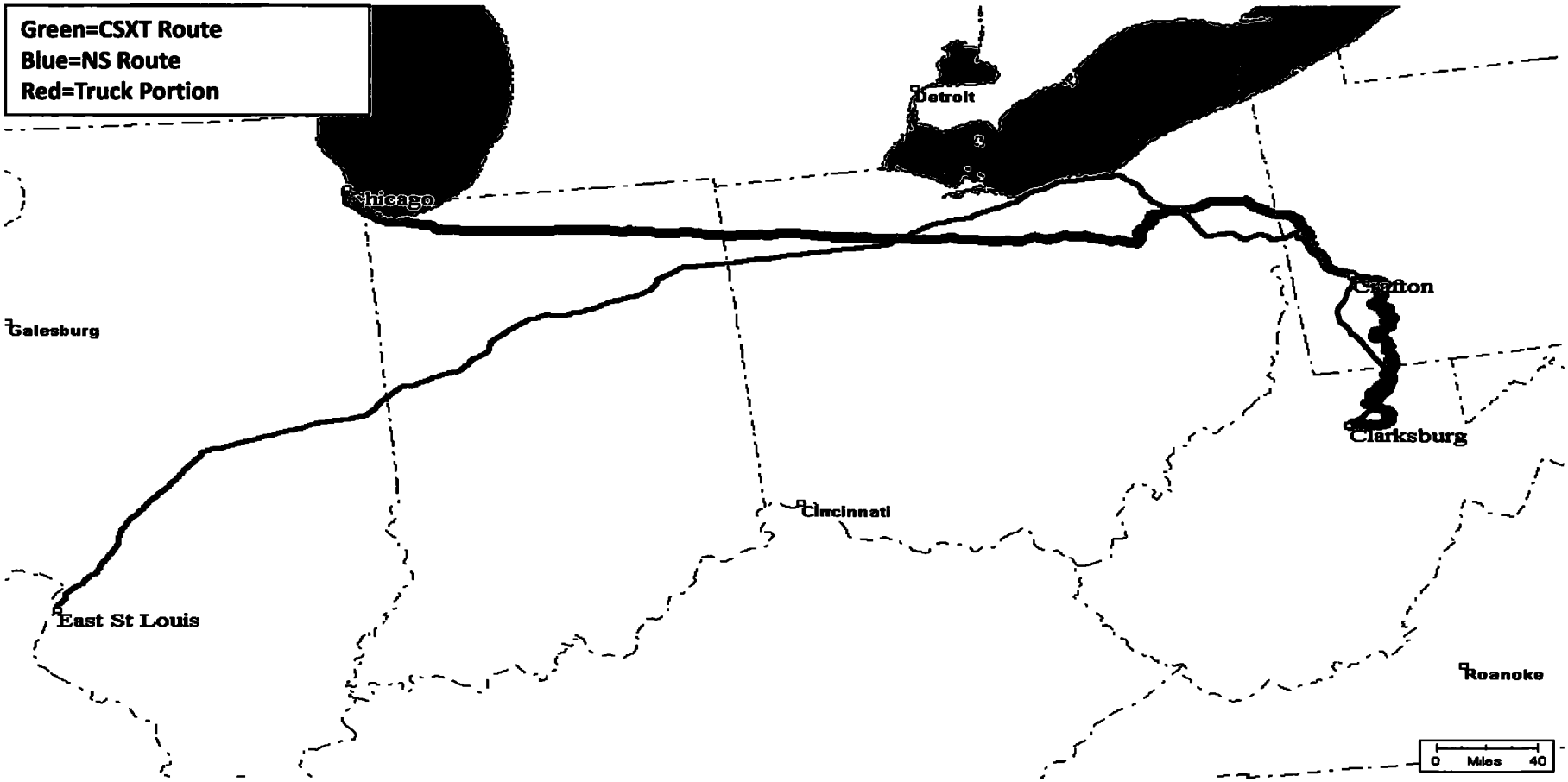
**TPI Movement Number 113: Chicago, IL – Clarksburg, WV**

CSXT Direct: 635 Mi

**Alternative:**

NS Rail: East St. Louis, IL – Crafton, PA (662 Mi)

Truck: Crafton, PA – Clarksburg, WV (110 Mi)




**CSXT Tariff Rate**: $6,323

**PUBLIC VERSION** **Cost of Rail/Truck Alternative**: {{ }}

**TPI Movement Number 114: Chicago, IL – Westfield, MA**

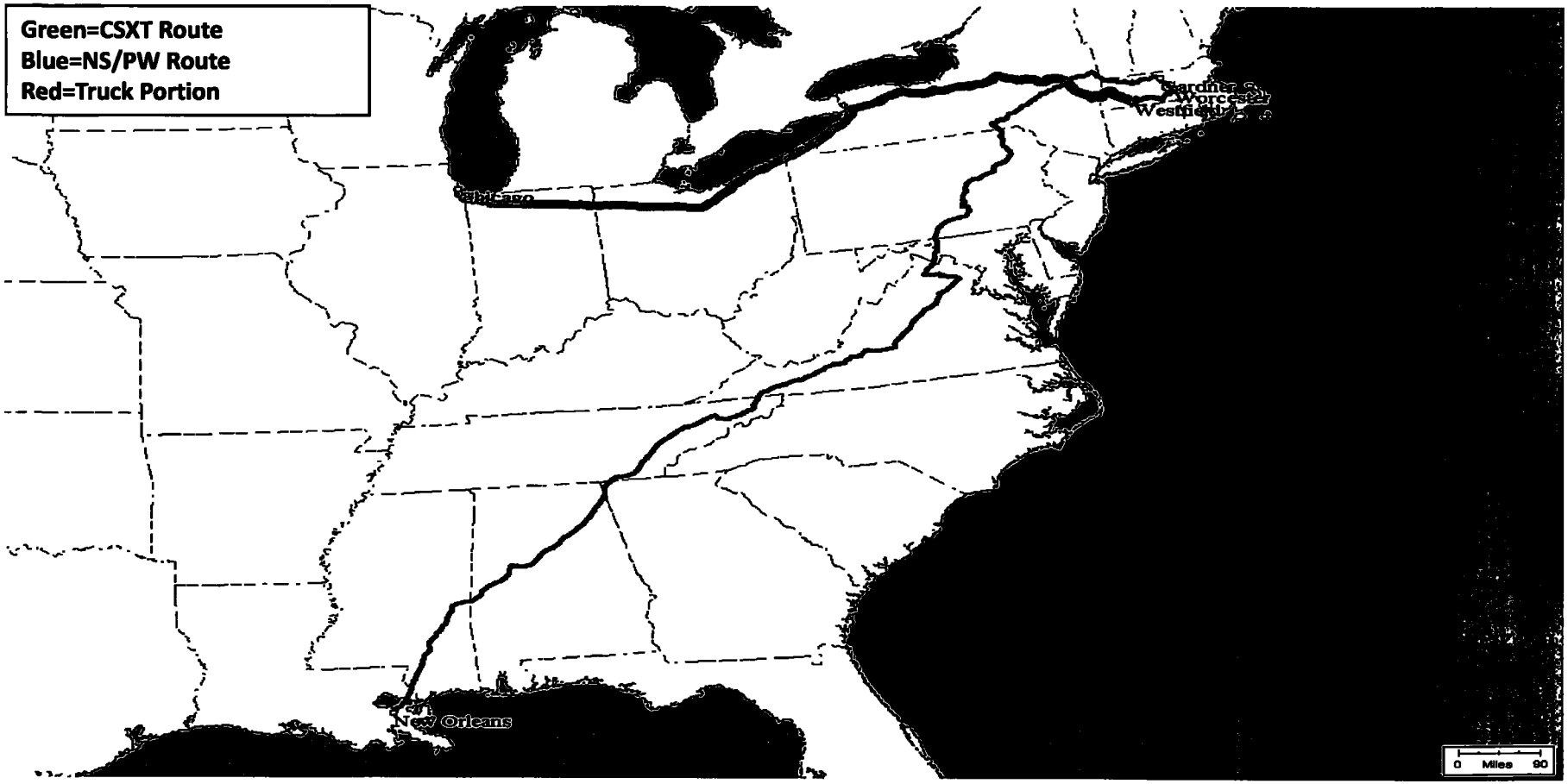
CSXT Direct: 903 Mi

**Alternative:**

NS Rail: New Orleans, LA – Gardner, MA

PW Rail: Gardner, MA – Worcester, MA (Alt. Rail Miles: 1,753 Mi)

Truck: Worcester, MA – Westfield, MA (59 Mi)




**CSXT Tariff Rate:** $8,371

**PUBLIC VERSION** **Cost of Rail/Truck Alternative:** {{ }}

**TPI Movement Number 5L*: Chicago, IL – Evansville, IN**

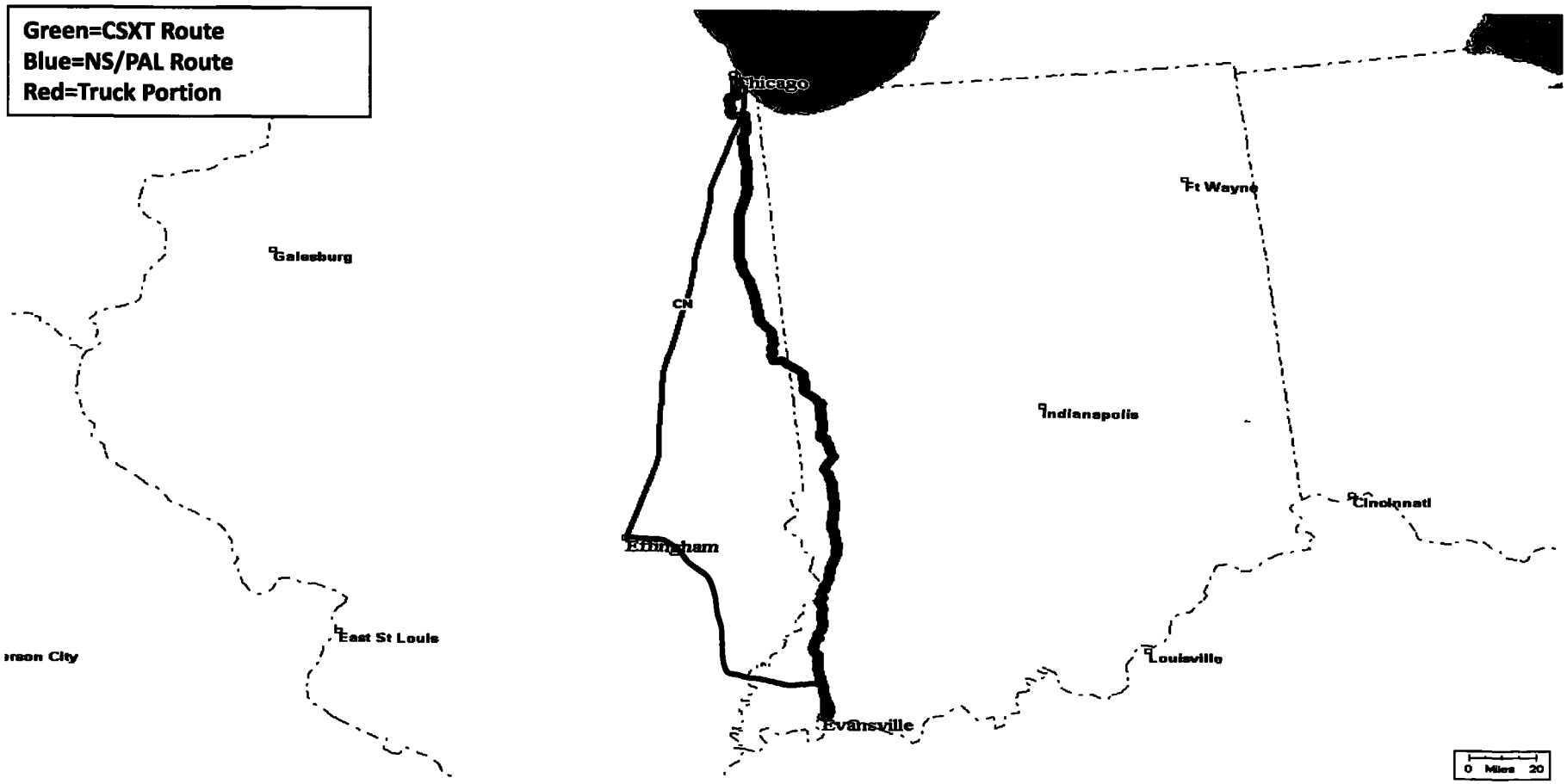
CSXT Direct: 290 Mi

**Alternative:**

CN Rail: Chicago, IL – Effingham, IL

EFRR Rail: Effingham, IL – Effingham, IL (Alt. Rail Miles: 201)

Truck: Effingham, IL – Evansville, IN (128 Mi)




**CSXT Tariff Rate**: $4,921

**Cost of Rail/Truck Alternative:** {{ }}

*Movement also has an All-Truck Competitive Option

**PUBLIC VERSION**

# Transload Facility Details

| Facility Name/Location | Phone Contact | Terminal State | Truckers used from Facility |
|---|---|---|---|
| Midsouth Bulk Services Inc West Memphis, Ark; served by BN & UP | 888 643 0096 | AR | Quality Distribution, A&R |
| Ambassador Services Terminal Cocoa, FL on FEC; operated by A&R Transport | 321 403 7488 | FL | A&R |
| NS Thoroughbred Bulk Transfer Terminal, 3440 W. 20th Street, Jacksonville, FL 32209 | 904 783 3500 | FL | Bulkmatic |
| NS Thoroughbred Bulk Transfer Terminal, operated by Fla. Bulk Transfer, 3601 NW 62nd Street, Miami, FL 33147 | 305 835 6907 | FL | A&R |
| NS Thoroughbred Bulk Transfer Terminal, 590 Taylor Street, Augusta, GA 30903 | 706 533 1669 | GA | Quality Distribution |
| NS Thoroughbred Bulk Transfer Terminal, 2059 South Hamilton Street, Dalton, GA 30720 | 706 272 0071 | GA | Bulkmatic, Tidewater Transit |
| NS Thoroughbred Bulk Transfer Terminal, 2325 Weaver Way, Doraville, GA 30342 | 770 441 5060 | GA | A&R, Bulkmatic |
| Bulkmatic Transport, 2351 State St. Chicago Heights, Il 60411 served by UP/CN | 708 758 0730 | IL | Bulkmatic |
| Effingham Railroad Transload, 1101 Stevens Ave., Effingham, IL 62401, served by Effingham R.R. (CN access) | 217 342 4844 | IL | A&R, Bulkmatic |
| KBSR Raub Yard Earl Park, IN, operated by Plastic Express | 918 553 6286 | IN | Plastic Express |
| NS Thoroughbred Bulk Transfer Terminal, 595 N 34th St, Louisville, KY 40212 | 502 778 3975 | KY | A&R, Quality Distribution |
| PAL Princeton, KY Operated by Bulkmatic Transport | 270 475 4882 | KY | Bulkmatic |
| Mid-States Packaging, 1060 Millbury Street, P.O. Box 2740 Worcester, MA 1607 | 508 799 4614 | MA | A&R |
| NS Thoroughbred Bulk Transfer Terminal/RSI Services, 340 West North Avenue, Baltimore, MD 21217 | 517 349 7713 | MD | Bulkmatic |
| NS Thoroughbred Bulk Transfer Terminal Operated by Bulkmatic Transport,6525 McKean Road Detroit, MI 48197 | 734 482 7500 | MI | Bulkmatic |
| NS Thoroughbred Bulk Transfer Terminal, 2820 Nevada Boulevard, Charlotte (Pineville), NC 28273 | 704 587 9300 | NC | Bulkmatic,Quality Distribution, A&R |
| AR (Aberdeen & Rockfish) Rail Fayetteville, NC terminal operated by Tidewater Transit | 910 483 5314 | NC | Tidewater Transit |

# Transload Facility Details

| Facility Name/Location | Phone Contact | Terminal State | Truckers used from Facility |
|---|---|---|---|
| NS Thoroughbred Bulk Transfer Terminal, 123 Dowd Avenue, Elizabeth, NJ 7206 | 908 289 8970 | NJ | Bulkmatic, Quality Distribution |
| NS Thoroughbred Bulk Transfer Terminal Operated by Bulkmatic Transport, 135 W Getty Ave, Paterson, NJ 7503 | 973 345 5929 | NJ | Bulkmatic,Quality Distribution |
| Bulk Transfer Services, 51 Erie Blvd., Albany, NY 12204, served by CPRS | 518 432 0539 | NY | Plastic Express |
| NS Thoroughbred Bulk Transfer Terminal, 50 Bison Pkwy, Buffalo, NY 14228 | 716 894 0009 | NY | Bulkmatic |
| Plastic Express Transfer Terminal, 2 Van Buren Blvd., Guilderland Center, NY 12805, served by SMS Rail | 918 553 6108 | NY | Plastic Express |
| Livonia, Avon & Lakeville RR, Lakeville, NY 14480 | 585 346 2090 | NY | A&R, Kuhnle Brothers |
| Susquehanna Bulk, 300 Water St., Utica, NY, served by NYSW RR | 315 735 3545 | NY | |
| NS Thoroughbred Bulk Transfer Terminal, Operated by Bulkmatic Transport, 5555 Wooster Pike, Cincinnati, OH 45227 | 513 561 5555 | OH | Bulkmatic |
| NS Thoroughbred Bulk Transfer Terminal, operated by Bulkmatic Transport, 1431 Chardon Road, Cleveland (Euclid), OH 44117 | 216 383 1800 | OH | A&R, Bulkmatic |
| NS TBT Terminal, operated by Bulkmatic Transport, 1875 Frebis Ave, Columbus, OH 43206 | 614 449 1960 | OH | A&R, Bulkmatic |
| Bulkmatic Transport, 1650 Riverside Dr., Bethlehem, PA 18016, served by PBNE RR | 610 253 7171 | PA | Bulkmatic |
| Safe Handling Inc., 1258 Route 119, Mount Pleasant, Pa 15666, served by SWPA RR | 724 696 9300 | PA | Bulkmatic |
| Savage Services 52 E. Oregon Ave., Philadelphia, PA 19148, served by CR. | 215 334 3149 | PA | A&R |
| NS Thoroughbred Bulk Transfer Terminal, operated by Bulkmatic Transport, 2000 Napor Boulevard, Pittsburgh, PA 15205 | 412 919 5875 | PA | Bulkmatic |
| NS Thoroughbred Bulk Transfer Terminal, 7525 Asheville Highway, Spartanburg, SC 29303 | 757 823 5439 | SC | Quality Distribution, Bulkmatic |

# Transload Facility Details

| Facility Name/Location | Phone Contact | Terminal State | Truckers used from Facility |
|---|---|---|---|
| NS Thoroughbred Bulk Transfer Terminal, 1901 Rossville Avenue, Chattanooga, TN 37408 | 423 756 6877 | TN | Bulkmatic |
| NS Thoroughbred Bulk Transfer Terminal, operated by RSI Logistics, 1301 East Washington Street, Petersburg, VA 23803 | 517 349 7713 | VA | Quality Distribution, Atlantic Bulk |

**Bulkmatic Transport**
**Polymer trucking rates**
**Provided by Pete Miller 8/26/2010 via email**

**Current transload sites at**
**See Website - 40+ sites**

**All rates include Vacuum Pneumatic loading and unloading**
**Maximum 1.5 hours free time for loading and 1.5 hrs free time for unloading included in rates**
**Excess loading / unload time at $85/hour**

**BulkMatic Transport Mileage Table**

| Miles | Linehaul |
|---|---|
| 0-30 | $336 |
| 31-40 | $360 |
| 41-50 | $384 |
| 51-60 | $413 |
| 61-70 | $429 |
| 71-80 | $445 |
| 81-90 | $477 |
| 91-100 | $508 |
| 101-110 | $538 |
| 111-120 | $556 |
| 121-130 | $588 |
| 131-140 | $625 |
| 141-150 | $642 |
| 151-160 | $679 |
| 161-170 | $716 |
| 171-180 | $749 |
| 181-190 | $779 |
| 191-200 | $808 |
| 201-210 | $840 |
| 211-220 | $872 |
| 221-230 | $904 |
| 231-240 | $936 |
| 241-250 | $968 |
| 251-260 | $1,005 |
| 261-270 | $1,030 |
| 271-280 | $1,062 |
| 281-290 | $1,097 |
| 291-300 | $1,131 |
| 301-310 | $1,166 |
| 311-320 | $1,193 |
| 321-330 | $1,223 |
| 331-340 | $1,261 |
| 341-350 | $1,297 |
| 351-360 | $1,327 |
| 361-370 | $1,360 |
| 371-380 | $1,397 |
| 381-390 | $1,429 |
| 391-400 | $1,466 |

**401 - 500 Miles $3.45/Mile**
**501+ Miles - $3.30/Mile**

**Tank Cleaning $150.00 (Natural)**
**Tank Cleaning $225.00 (Conversion)**
**Free Time - 1.5 Hours Loading**
**Free Time - 1.5 Hours Unloading**
**Tolls - Actual Cost**
**Plus Fuel Surcharge - Currently at 19%**

**Quality Distribution /Carriers**
**Polymer trucking rates**
**Provided by Mark Bitting 8/27/2010 verbal**

**Current transload sites at**

**All rates include Vacuum Pneumatic loading and unloading**
**Maximum 2 hours free time for loading and 2 hrs free time for unloading included in rates**
**Excess loading / unload time at $75/hour**

| Mileage | Per Truckload charge |
|---|---|
| up to 100 miles | $ 550.00 |
| 100-149 | $ 610.00 |
| >150 | $ 750.00 |
| >220 | $ 3.40 per mile |

**Mark indicated for several short loads/day from the same site, $750/10 hours would be charged for as many loads as can be completed in that time.**
**All rates are plus Fuel Surcharge (currently 17%) and all tolls**

**Plastic Express**
**Polymer trucking rates**
**Provided by Gary Reed 8/23/2010**

**Current transload sites at**

| | |
|---|---|
| **NJ** | **CR Territory** |
| **IN** | **Earl Park** |
| **NY** | **Albany area** |

**All rates include Vacuum Pneumatic loading and unloading**
**Maximum 2 hours free time for loading and 2 hrs free time for unloading included in rates**
**Excess loading / unload time at $85/hour**

| **Mileage** | **Truckload Charge** |
|---|---|
| **0-25** | **475** |
| **26-50** | **520** |
| **51-75** | **575** |
| **76-100** | **625** |
| **101-400** | **625 plus $2.70/mile over 100 miles** |
| **>401** | **$3.40/mile** |

**All rates are plus Fuel Surcharge (currently 19%) and all tolls**

**A & R Transport**
**Polymer trucking rates**
**Provided by Paul Sweeten 8/27/2010**

**Current transload sites at**

| | |
|---|---|
| **Jeffersonville, In** | **Philadelphia, Pa** |
| **Atlanta, Ga** | **Ware, Ma** |
| **Morris, Il** | **Chesapeake, Va** |

**All rates include Vacuum Pneumatic loading and unloading**
**Maximum 2 hours free time for loading and 2 hrs free time for unloading included in rates**
**Excess loading / unload time at $85/hour**

| Mileage | Truckload Charge |
|---|---|
| 0-75 | 500 |
| 76-120 | 600 |
| 121-180 | 700 |

**All rates are plus Fuel Surcharge (currently 24%) and all tolls**

**Luckey Logistics/Trucking Rates**
**Provided by Scott Luckey - VP 9/7/2010**

**Rates apply from Luckey Transload site in Lima, Oh located on IORY**

**Rates apply for up to 100 mile radius from Lima, OH facility**

**$1.00/cwt on 44,000 lbs minimum per truck (Assume $500 for 50,000 lbs per shipment)**

**PLUS:**
**$.15/cwt for vacumn loading**
**$ 24.00 to scale the truck at site**
**22% Fuel Surcharge**

**Total Net Cost Per Load: $709 for 50,000 lbs**

**Site Railcar detention:**
**0-30 day Free**
**31-60 da $5/day**
**>60 days $8/day**

**Tidewater Transit Co.**
**Rates apply from Fayetteville, NC transload facility served by the AR RR**
**Provided verbally by Joe C Jones 9/9/2010**

| Mileage | Transportation Cost | FSC | Transload Cost | Total Cost | Carload Cost |
|---|---|---|---|---|---|
| 0>60 | $ 350.00 | $ 84.00 | $ 150.00 | $ 584.00 | $ 2,336.00 |
| 61>125 | $ 500.00 | $ 120.00 | $ 150.00 | $ 770.00 | $ 3,080.00 |

**Fuel Surcharge currently 24%**
**Loading and unloading free time is 2 hours each**
**Tank Cleaning charge of $125 if applicable**

**Site Costs from Aberdeen & Rockfish RR**

| | | |
|---|---|---|
| Railcar storage | 1-10 days | free |
| | 11-40 days | $25/day |
| | >41 days | $50/day |

**PUBLIC VERSION**

**BEFORE THE**
**SURFACE TRANSPORTATION BOARD**

| | |
|---|---|
| TOTAL PETROCHEMICALS USA, INC.<br><br>Complainant,<br><br>v.<br><br>CSX TRANSPORTATION, INC.<br><br>Defendant | Docket No. NOR 42121 |

**VERIFIED STATEMENT OF BENTON V. FISHER**

My name is Benton V. Fisher. I am a Senior Managing Director in the Network Industries Strategies Group of FTI Consulting, specializing in the economic analysis of network industries, including railroad transportation. My business address is 1101 K Street, Suite B100, Washington, DC 20005.

I am a graduate of Princeton University from which I obtained a Bachelor's of Science degree in Engineering, from the Civil Engineering and Operations Research department. I graduated with a concentration in Information and Decision Sciences, and also received a certificate for completing the requirements for the Engineering and Management Systems program. After graduating, I served as the Deputy Controller for the U.S. Senate re-election campaign for Bill Bradley, and since April 1991 have been employed by FTI Consulting and Klick, Kent & Allen, a economic consulting firm that FTI Consulting acquired in 1998.

Much of the NIS group's work focuses on the economic and financial analysis of network industries, in particular different aspects of transportation. I have spent more than 19 years involved in the analysis of rates, costs, and service, and the factors that affect them. In the rail

industry, I have worked extensively to develop expert testimony before the Surface Transportation Board ("STB") examining the reasonableness of railroad rates, railroads' applications for mergers and acquisitions, and rulemakings regarding the establishment, evaluation, revision, and implementation of rules and regulations. I have managed the development of expert testimony covering a variety of topics in numerous contract disputes in Federal court or Arbitration, requiring the analysis of economic and operating issues and response to service performance or other claims. In addition to analyzing extensive financial and operational data, I have worked closely with many departments at the railroads as well as outside counsel. Additionally, I have reviewed the expert testimony of other parties in these proceedings, and developed and implemented the course of action to respond.

Much of my work for the railroad industry has required a detailed understanding of the regulations under which railroads operate, the rules by which rates are evaluated, and the costing approaches and models that are used. I have testified numerous times regarding stand-alone costs and URCS costs (Uniform Railroad Costing System, the STB's general purpose costing system) for individual movements, traffic groups, and entire networks. I have extensive experience with these costing approaches, including the detailed inputs and their sources, and the costing methodologies and formulae.

In addition to the rail industry, I have been engaged with similar issues and disputes regarding the economic and financial analysis of telecommunications, postal, and energy matters. In those matters, as with rail, I have worked closely with detailed price, cost, and operational data and reviewed cost models and analyzed the sensitivity of multiple economic components, in evaluating rates, costs, and service in a variety of different contexts.

I have been asked by Defendant CSX Transportation ("CSXT") to submit this Verified Statement in support of its Motion for Expedited Determination of Jurisdiction Over Challenged Rates (hereafter "Motion") and the Verified Statement of Gordon R. Heisler, a chemical logistics expert who is also filing evidence in support of CSXT's Motion. CSXT is filing this Motion in response to the above-referenced STB rate complaint brought by Total Petrochemicals USA, Inc. ("TPI"), in which TPI challenges the reasonableness of CSXT's rates for chemicals shipments moving on any of 120 different lanes.[1] On May 3, 2010, TPI first challenged CSXT's rates for movements on 104 lanes, all but five of which were interline shipments that CSXT received in interchange from other carriers at Midwestern gateways and that were priced and billed separately by each Class I railroad under AAR Accounting Rule 11. On July 26, 2010, TPI amended its complaint to withdraw its challenge for two lanes (including one that had been duplicated in TPI's Original Complaint) and added to its challenge rates for 18 more lanes.

CSXT's Motion argues that its rail service for 98 of the 120 lanes challenged in the Amended Complaint is subject to effective competition from rail, truck, or rail-truck transportation alternatives, and therefore that these movements are not subject to the Board's rate reasonableness jurisdiction. The Motion is supported by an analysis of competitive options presented in Mr. Heisler's Verified Statement. Whenever possible, Mr. Heisler calculated the cost of the rail portion of a competitive option by using {{

}} In this statement, I explain how surrogate rates were developed for the rail transportation alternatives. This process employed three steps: (1) calculating the variable costs of the alternative

[1] For purposes of this statement, a lane represents an individual movement for which TPI has challenged the reasonableness of a rate, which is defined on the basis of the commodity, CSXT origin or on junction, and CSXT destination.

movements; (2) determining the revenue-to-variable cost ("R/VC") ratio of competitive movements from other rail carriers; and (3) applying the R/VC ratios to the variable costs to produce a surrogate rate.

## I. URCS VARIABLE COSTS FOR RAIL TRANSPORTATION ALTERNATIVES

As indicated above, TPI challenged the rates for shipments of various chemicals from gateway interchanges with other railroads or, in limited instances, origin locations that are served locally by CSXT. Mr. Heisler identified alternative routings, by railroad and interchange location, that could also be used to deliver the chemicals from the gateway (or local origin) to the destination. For these lanes, I determined the respective rail miles for the carrier(s)[2] involved in the alternative routing, based on running ALK's PC Miler model for the "Practical Miles." With these mileages, I developed the system-average URCS costs for each alternative routing, based on the corresponding traffic class (typically received and terminated) and other movement inputs corresponding to the issue traffic movement.[3] Shipment costs were calculated based on the STB's 2008 URCS data set,[4] specifically for three Class I railroads – Norfolk Southern ("NS"), Canadian National ("CN"), and Canadian Pacific ("CP") – and also for "Eastern Region" average URCS costs, consistent with STB precedent when railroad-specific URCS costs are not available. I indexed the 2008 URCS results to First Quarter 2010 levels, based on the standard STB indexing approach typically applied to URCS costs in STB rate reasonableness

[2] Some of the alternative routings involve two rail carriers, typically a Class I from the gateway and a shortline that serves the destination.

[3] For example, I relied upon the average lading weights by individual lane for the lanes that were included in the Original Complaint. As I have not yet received similar lane-specific detail for the lanes that TPI added in its Amended Complaint, I rely upon the median for all other lanes, 97 tons.

[4] The 2008 URCS is the most recent such dataset available from the STB.

proceedings.[5] The results of these calculations are provided in work papers accompanying this submission.[6]

## II. R/VC RATIOS FOR COMPETITIVE MOVEMENTS

In response to CSXT's discovery requests, TPI produced its transportation contracts with {{ }}, detailing the specific lanes and corresponding rates for shipments similar to the ones at issue in the rate complaint.[7] For {{ }} lanes, TPI's contracts identified a direct alternative to the CSXT transportation under challenge. For other complaint lanes that were not specifically addressed in TPI's contracts, Mr. Heisler's analysis required a surrogate rate for the rail transportation. In order to calculate that rate, I determined the average R/VC ratio for a subset of lanes selected by Mr. Heisler from TPI's contracts, which consisted of rates from gateway origins to complaint destinations or nearby transloading facilities. To do this, I first calculated the URCS costs for the selected contract lanes, following the same process as described previously, using the PC Miler-based Practical Mileages and specific {{ }} 2008 URCS costs, indexed to 1Q 2010. Also, before dividing the contract rates by the URCS result, as the contracts each set forth that a {{

}} Following this approach, I calculated average R/VC ratios, including {{

}} overall.[9]

---

[5] As with the calculation of the 2008 URCS costs, I developed specific indices for each of NS, CN, and CP, as well as an Eastern Region average that was applied to the cost results for non-Class I portions of the alternative routings.

[6] "TPI Alternate Routes.xlsx," worksheet "TPI Alternate Route URCS"

[7] TPI-HC-000285-000291 ({{ }} and TPI-HC-000399-439 ({{ }}).

[8] {{ }}

[9] *See* workpaper "TPI Contract Rate RVC.xlsx" for the results of the calculations.

## III. SURROGATE RATES FOR RAIL TRANSPORTATION ALTERNATIVES

In order to determine a surrogate rate for the alternative routings, the contract R/VC ratio was applied to the corresponding URCS variable costs that had been calculated. These results provided a market rate for transportation from the gateway or local origin to the issue traffic destination, or a transload location from which the shipment would be delivered by truck to the TPI destination.[10]

## IV. MAPS

In addition to the calculations of URCS costs, contract R/VC ratios, and surrogate rates for the TPI complaint lanes, I also generated maps depicting the routing alternatives. These maps were created with the same PC Miler model that was used to calculate the mileages for each lane, and show the rail segments traversed by the "Practical" routing, including both Class I and shortline segments. In addition to identifying the railroad lines, I also added the truck routes for those lanes where the alternative transportation involves a truck portion. The truck portions were provided by Mr. Heisler, and the routes were identified from Google Maps using the suggested road routing option with the shortest travel time.[11]

[10] "TPI Alternate Routes.xlsx," worksheet "FTI Analysis"

[11] http://maps.google.com.

**VERIFICATION**

I, Benton V. Fisher, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 29 day of September, 2010.

Benton V. Fisher

Benton V. Fisher

**BEFORE THE**
**SURFACE TRANSPORTATION BOARD**

| | |
|---|---|
| TOTAL PETROCHEMICALS USA, INC.<br><br>Complainant,<br><br>v.<br><br>CSX TRANSPORTATION, INC.<br><br>Defendant | Docket No. NOR 42121 |

**VERIFIED STATEMENT OF RICHARD L. KARN**

My name is Richard L. Karn, and I am Director of Marketing in the Chemicals group for CSX Transportation, Inc. ("CSXT"), a position I have held for the past six years. In this capacity, my responsibilities include marketing and pricing CSXT's transportation services for plastics and related commodities. In addition, I have held a number of different marketing positions at CSXT, including responsibility for a broad range of chemical and steel products. I submit this statement in support of Defendant CSXT's Motion for Expedited Determination of Jurisdiction Over Challenged Rates. Specifically, this statement sets forth certain information regarding the volumes of traffic transported by CSXT for TPI and identifies the challenged lanes in TPI's Complaint for which it has not shipped traffic since January 1, 2009.

TPI's Amended Complaint challenges CSXT's tariff rates for 120 issue movements. Five of the issue movements are CSXT local moves; the remaining 115 are interline movements that CSXT receives from other rail carriers (namely BNSF, Canadian National, and Union Pacific) that are priced and billed separately by each Class I railroad under AAR Accounting Rule 11. During CSXT's 2009 fiscal year (12/27/08—12/25/09), CSXT transported

{ } railcars of Issue Commodities for TPI over the challenged lanes. The highest-volume lane in the Amended Complaint – { } – accounted for only { }

The tariff rates challenged in the Amended Complaint were not utilized by TPI until July 1, 2010. TPI has never shipped any traffic under the tariff rates – and indeed has shipped no traffic since January 1, 2009 – for eight of the lanes in the Amended Complaint:

- Lane 2L (Crawfordsville, IN – Atherton, IN);
- Lane 37 (New Orleans, LA – Simpsonville, SC);
- Lane 69 (Memphis – Gallaway, TN);
- Lane 88 (New Orleans – Decatur, GA);
- Lane 89 (New Orleans – Horse Cave, KY);
- Lane 90 (New Orleans – Vanceburg, KY);
- Lane 91 (New Orleans – Matthews, NC);
- and Lane 99 (Effingham, IL – Mamaronack, NY).

[1] Movements in the Amended Complaint are identified by the numbers in Exhibits A and B to the Amended Complaint. Local movements are designated with an "L."

## VERIFICATION

I, Richard L. Karn, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on this 27th day of September, 2010.

Richard L. Karn